

**CITY OF ALAMOGORDO, NEW MEXICO
CITY COMMISSION REGULAR MEETING MINUTES
6:30 PM, DONALD E. CARROLL COMMISSION CHAMBERS
June 24, 2025**

**SUSAN PAYNE, MAYOR
SHARON MCDONALD, MAYOR PRO-TEM
CRYSTAL GUTHRIE, COMMISSIONER
STEPHEN BURNETT, COMMISSIONER
WARREN ROBINSON, COMMISSIONER**

**JOSHUA RARDIN, COMMISSIONER
MARK TAPLEY, COMMISSIONER
STEPHANIE HERNANDEZ, ACTING CITY
MANAGER
DARREL MORI, CITY ATTORNEY
RACHEL HUGHS, CITY CLERK**

CALL TO ORDER & ROLL CALL

Mayor Payne called the meeting to order at 6:30 PM. Roll Call was taken by the City Clerk. City Clerk Hughes announced there was a quorum present.

INVOCATION & PLEDGE OF ALLEGIANCE

Invocation was given by Pastor Timothy Green from Cottonwood Christian Fellowship, and the Pledge of Allegiance was led by Mayor Pro-Tem McDonald.

APPROVAL OF AGENDA

Commissioner Robinson moved to approve.
Mayor Pro-Tem McDonald seconded the motion.
Motion Passed with a vote of 7 - 0 - 0.

PRESENTATIONS

1. Presentation by the City of Alamogordo's Utilities - Engineering department to update the public and commissioners on all upcoming projects by providing an informative overview of future plans and developments. (*Justen Boyle, Senior Project Manager*)

Senior Project Manager Boyle gave his presentation with a breakdown of projects into Design Phase, Shovel-Ready Projects, Bidding Phase, Construction Phase, Warranty Phase, and Final Completion.

Design Phase - Traffic Head Replacement

Commissioner Rardin asked if they were going to implement roundabouts into that traffic placement. Senior Project Manager Boyle said no. If the traffic study does not involve a roundabout, I do not see it happening. We go off our on-call engineers.

Design Phase - WSRP-003

Commissioner Guthrie asked about the timelines for this. Senior Project Manager Boyle said 002 is going out for bidding. As one finishes with the design, the other goes out to bid, and then the next goes into design. This will probably be a year, but I cannot give you a timeline.

Design Phase - Washington Canal Design - Public Works Department

Commissioner Robinson asked if the canal would be all concrete when completed. Senior Project Manager Boyle said it will be concrete from Indian Wells to McKinley Channel.

Commissioner Rardin said it was mentioned that two concrete culvert boxes need to be replaced. We have four crossings there. Senior Project Manager Boyle said there are actually six. They are at 18th Street, 14th Street, 10th Street, 9th Street, City Hall, and Mountain View. In the design, the ones at City Hall and Mountain View will be removed. Commissioner Rardin asked if we would keep the others. Senior Project Manager Boyle said correct. Speaking about the future, we are looking into a pedestrian crossing at Mountain View. Commissioner Rardin asked what we would do to alleviate congestion in the parking lot at City Hall. Senior Project Manager Boyle said removing that will help a lot because people drive through that parking lot. You will have an opening with access on 9th Street instead of crossing. There are signs saying no through traffic, but it still happens. The main focus on that is the drainage. Commissioner Rardin asked if traffic studies would be done on that beforehand, when you get the design.

Senior Project Manager Boyle said yes, engineers are already doing models.

Design Phase - Traffic Technical Standards

Commissioner Rardin asked if this would be similar to what NMDOT already has in place. Senior Project Manager Boyle said yes, but it would be more for Alamogordo standards. NMDOT has its own, so it would be different. There will be similarities in certain things.

Design Phase - Valley View Drive Improvement

Commissioner Rardin asked if the design included opening up a loop that would go over and past the reservoirs. Senior Project Manager Boyle said no, this will still be completely sealed off. Commissioner Rardin asked if it would be opened back to alleviate traffic there. Senior Project Manager Boyle said no. Commissioner Rardin asked for the reasoning as to why the road would be closed. Senior Project Manager Boyle said it is City property, in an area that floods a lot, and is hazardous. There are chemical trucks there all the time. It is better to keep people out of the Water Plant area. Commissioner Rardin asked if we would just go to the entrance of the Water Plant and then stop. Senior Project Manager Boyle said correct. We will have gates and fencing too. It has never been an actual right-of-way; it is private property.

Shovel Ready Projects - Balloon Park

Commissioner Rardin asked if another restroom would be built on the other side of the Balloon Park. One was built about two years ago. Senior Project Manager Boyle said this is different from what is over there. It would be closer to the stage area, towards the west side.

Current Construction Projects - F-4 Project

Commissioner Rardin said that when the jet is moved, would it be just towed up the highway? Senior Project Manager Boyle said yes, the timing for that is very specific. Commissioner Rardin asked if power lines would need to be raised. Senior Project Manager Boyle said I do not think so. When it was moved over to the Airport, they said they did not have issues even under the traffic light. As long as the lights are as tall as the ones at the Airport and Highway, I think we will be safe.

Current Construction Projects - 10th Street CBC Remediation

Mayor Payne asked if this was still on schedule for July. Senior Project Manager Boyle said as long as we have the footings and wing walls in, it is just a matter of having one dry day to start doing the backfill, density checks, and every lift. It depends on the soil because they cannot be compacted on mud. We will see how it goes based on the weather.

Completed Projects

Commissioner Rardin asked about the striping on Lavelle Road and the donuts. Senior Project Manager Boyle said that was not based off their work, and I cannot use the warranty because of somebody doing donuts. Trying to justify that with the contractor would be difficult, and it could take months. Commissioner Rardin said it is still deteriorating. Senior Project Manager Boyle said I will do a walk-through with them when the time comes for the end of the warranty phase. Commissioner Rardin said the tire marks are gone now, but the stripes are not there anymore. It failed within a month or two of them doing it. Senior Project Manager Boyle said when the time comes for the walk-through, if it shows it needs to be replaced based off any reason warranty-wise, I will make sure it gets fixed. If it does not fall under warranty, it will be hard to push that.

2. Presentation on updates to the Family Fun Center to include: improvements made, investments made into the property, steps that need to be taken, challenges, and projections regarding the opening. (F. Frizzel Jr., Chief Operating Officer for The Inn of the Mountain Gods, Johnny Adams, Rocket City General Manager, and Thora Padilla, Mescalero Apache Tribe President)

Mr. Frizzel Jr. said that over the past several weeks, our team has worked tirelessly to bring the facility back to life. Since taking possession of the building, we have made significant progress.

Bowling

The pin setters on all the lanes were already used when they were originally put in. They were not brand new and were not maintained well. The pin setters will be completed and fully repaired by June 26, 2025. The scoring system

is functional but pending a full upgrade at the beginning of July. The land conditioner machine has been repaired and is now operational for use; it goes and oils the lanes. We have ordered seven hundred new pins, one hundred and thirteen new bowling balls, one hundred and forty-two pairs of shoes, and those will arrive on June 30, 2025. We had to replace all the pins, and many bowling balls were damaged because the ball return systems were eating them up. The ball return systems were repaired and cleaned out so they no longer damage the bowling balls. Some still need tweaks. All the floors and lanes have been cleaned and repaired where needed. The USBC was scheduled to inspect the lanes for certification at the end of June or the beginning of July. That certification will allow for some sanctioned league play. I had heard rumors that the lanes were not long enough for sanctioned league play, but that is not true. They are the correct length. We are planning on having sanctioned league play this fall.

Laser Tag

Laser tag is operational and has been thoroughly tested. After going through it, there are only four hundred hours of play remaining on the laser tag until it is obsolete and cannot be used anymore. We anticipate that it will only last a month or two. Upgrading that system is estimated to be \$86,000. We sent out a survey to the community and have received feedback. I would not suspect that we want to pay \$86,000 to upgrade the laser tag area. We will come back with ideas on what we think is best. It is a big space, around five thousand square feet, that we can repurpose for something that makes more money and serves the community better. We do play to open it and use up those four hundred hours.

Arcade

There were ten outdated arcade games that either could not be repaired or we could not find parts for. Those have been removed and will be replaced with twelve to fifteen arcade games that will arrive this week or next week. We installed a new tap-to-play card kiosk system for better efficiency on all those games.

Security

A new surveillance system is being installed to comply with modern security standards. There was no surveillance system there. It will be installed over all the POS systems in the public areas, the back, and outside the building. The installation should be done by the end of this week.

Building Maintenance

We did an extensive deep cleaning of the property when we first took possession of it, and that took a while. It was pretty dirty. Quotes from different companies to clean it were well over \$30,000, so we hired individuals instead and spent weeks cleaning the property. It looks good, close to brand new. We did a lot of painting and touch-ups throughout the entire building. The previous tenant hung a lot of paper poster signs, and when you take those off, they rip off the paint. We removed all the ugly signs. There was also a lot of negative signage, like you cannot do this or that. We want to keep things positive in the hospitality business. We also rewired a lot of the electricity and cabling for the TV systems because many things were not working. All the big fans are operational again. All the TVs have been realigned. The restrooms had issues with plumbing repairs that needed to be taken care of. Our guys took care of the plumbing, and that is all completed now. All the gas hookups to the kitchen were completed. When we turned the gas on, there was a leak that was repaired then and there. A new RO water system was purchased and installed; I guess the previous one there did not work, and they had bypassed it and taken it out. The kitchen will have RO water going through it.

Staff

All the staff have been hired, and there was an orientation. We have begun training. The bowling technicians have been on since day one, and they started fixing some lanes themselves. When the contractor came in, they started training and learning. They are in full training to ensure they can maintain those pin setters going forward.

Current Focus & Going Forward

Right now, the focus is on getting the facility open. There was more to it than expected. After we see the comments from the public, we can then approach the Commission on what we think will be best to move forward. That decision on how you want to proceed will probably be around this fall or winter. We have been talking with the City about the liquor license, which is the one item holding us back. Acting City Manager Hernandez and I have spoken at length about this, and I received an update today. We signed the agreement on April 29, 2025. We inquired about the license on May 13, 2025, and the City at that time told us they could not lease us the license because there was a tax lien against the governmental license. Even if we received clearance today to get that license, the absolute earliest we could probably open is with a soft opening on July 7, 2025, and then a grand opening on July 11, 2025.

We understand that the tax issue originated with a previous operator and a previous tenant. We appreciate the City's efforts with the State to clear that up. If we had known the liquor license had been encumbered, we would probably have held off on signing the agreement and not invested so much money. To date, we have spent a little over \$207,000 on improvements and whatnot. You get worried if you have something in the contract that cannot be lived up to, and the liquor license is a big part of that. Can we open without one? Absolutely, but that is not what we signed up for. It is not our intention to assign blame. We believe it is in the City's best interests to get those tax liens paid and taken care of, so we can get a liquor license assigned to us. Then we can start getting orders put in and get the facility opened quickly. Despite the challenges, our team remains fully committed to the partnership we have here. We are excited about the potential of Rocket City and the impact on Alamogordo's economy. I want to extend my sincerest thanks to the City and staff for their continued cooperation and professionalism, and to the Mayor and Commission for entrusting us with this opportunity.

Questions & Comments

Commissioner Guthrie asked where the City was on the liquor license. Acting City Manager Hernandez said we had the liquor license ready to go. We had the copy. They expire around February. After that, we found out there was a new software that had been implemented where TRD and ABC had not been talking previously. That is where all the issues came from. We were working heavily on this in March, but were not getting anywhere. We were getting the runaround, so we hired a consultant to do this. We were ready to hire a lawyer, and I was ready to call Senator Paul. I was ready to let the Commission know to call every senator and person you all know. Our consultant told me to hold on and let him do it, and he skipped straight to the top. We have been bugging them every day. As of today, they told us we needed to do certain things. They want us to enter into a liquor license lease with the Inn of the Mountain Gods. We have it in our agreement, but they want a separate one that mimics the agreement that has been signed off. That is in progress. They also told us today that if we pay a little over \$8,000, they will release it. We submitted the payment right away, and we will find out tomorrow if they updated TRD to release it. Mayor Payne asked what the \$8,000 was for. Acting City Manager Hernandez said it was a penalty cost assessment. They are still looking at the assessment part of it, but they said if we pay the \$8,000 and do not owe it, we will get a refund. We needed to pay for it to get it released, so we paid it. We will find out tomorrow morning. Our consultant has done a phenomenal job. Commissioner Rardin said, after we get the update, can you send it to the Commission so we know where we are at and if we need to start making phone calls? Acting City Manager Hernandez said absolutely. Commissioner Rardin said Clay Bailey is the secretary of the RLD, and I have his personal cell phone number if we need to get him involved. Acting City Manager Hernandez said when the Rocket City Fun Center opens, Z-Trans will start taking their route out that way.

Mescalero Apache Tribe President Padilla said we are excited at the thought of this venture with the Rocket City Fun Center. We have been receiving good comments on our side, and we are anxious to move forward. This is one of our first ventures outside the reservation, and I hope to be able to make more things like this happen for our tribe. We want to become more economically diverse in the things we offer. I want to thank the City for considering this. We look forward to a good partnership. We want to make a difference here.

Rocket City General Manager Adams said his team is ready to open the doors. We are in training right now, and the information about the liquor license is encouraging. I want to show this community what we can do. Mayor Payne asked if they were fully staffed. Mr. Adams said yes. She asked if they had brought staff down from the Inn or if they had been fully staffed already. That is very impressive. He said ninety-five percent of the team is from Alamogordo, ages seventeen to sixty. Most are avid bowlers. All our machines are operational, so we tested them out. Everyone got to throw the balls down the lanes today. Commissioner Rardin asked if the barriers on all the lanes were functioning. Mr. Adams said yes, the barriers for the bumpers are working correctly. Mayor Payne asked about the menu. Mr. Frizzel Jr. said it has changed a little since we previously presented it. We added the carnita fries that someone was asking for. They are testing the menu this week and ensuring everything is fine-tuned to have a consistent product coming out of that kitchen. We change our menus around every six months. We are planning on putting the restaurant on DoorDash a little while after we open. As soon as we get everything together, we can invite everyone out to check it out before we do our soft opening.

PUBLIC COMMENT

1. Russel Davis said at last night's Joint City-County meeting that some Commissioners spoke about passing a resolution at a future City Commission meeting to prevent selling the Fairgrounds property for a number of years. That seemed to be the solution to the issue, but the problem with that is that the resolution is not binding for a future

Commission. There was also an idea to create an MOU that would be binding, but it would not be permanent. I suggest looking into the option of a land-swap with the County, and exhausting that option before looking into others. If the County does not have a similar piece of land to swap, they may be able to put together multiple small properties or divide a larger one. I assume from last night's meeting that the County would prefer sole ownership of and appreciate sole decision-making regarding the Fairgrounds property. If achieved, that would be the best option for everybody.

2. Andrew Smith said he previously spoke to the Commission about three years ago regarding 1703 Dewey. Since then, it has become problematic for me. My partner and I have been assaulted on our own property. We have reached out to the Police Department, Code Enforcement, Animal Control, and the Fire Department, to which we received the runaround that it is not our problem, and we have no say. I present paperwork, and nothing gets done. I was told that by July 1st, there were supposed to be grounds to demolish the property. In that case, who do I need to speak to, and what do I need to do to ensure the safety of my property? The neighbor who still resides there to this day came to my property and attacked us after threatening us in front of a police officer. I have reached out to the Fire and Police Chiefs, and I have not received any feedback from them or their assistant. I have been instructed by Code Enforcement and Animal Control Supervisors about whom I need to talk to, but I do not get results. As citizens, who do we need to go to when the City organization fails to protect us or uphold our standards? How many of you have neighbors you have to deal with on a daily basis? I had to buy security cameras and watch my house. I have to pay a house sitter if I want to go on vacation. I pay taxes. My property taxes went up, but my property depreciates every single year. How is that fair to me or any other citizen? My pets have been attacked. I had a turtle killed, my dog was attacked, and we were attacked. What do I do?

Mayor Payne asked staff for information on this. Mr. Smith said he was here on the day that Police Chief Kunihiro was sworn in. That was when this became an issue for the first time. Acting City Manager Hernandez said she had a note that the property owners have until July 25, 2025, and then on July 26, 2025, we can go in there and do something. Regarding police activity, I am not sure. That note just regards the property itself. Mayor Payne said she thought this was resolved. Wasn't this house partially burned down? How is he still allowed to live there? Police Chief Kunihiro said he was not sure specifically about this, but generally, they are not allowed to live there. They are allowed to go in and out to work, but it depends on the situation. I do not believe I have ever received a call from Mr. Smith. I do not ignore calls. I meet with people. I would be happy to meet with Mr. Smith as soon as we are done here. Mayor Payne said the person we are talking about here had a warrant. Acting City Manager Hernandez said that was the day we passed the tax for police officers. He had a warrant, and officers were in here. Mr. Smith said all the charges from when we were assaulted and stuff got dropped. All he had to do was be penalized by court costs, and he had to do that through community service. Code Enforcement told me that the police officers had already been briefed. They are aware he is not supposed to be there. This man is stealing utilities, but I cannot find where that utility came from. I had utility spikes during that time, but no one could give us any information. I am at a loss here. I have gone through every channel I needed to get this resolved, but it feels like there are communication errors between Departments. It is insane. Mayor Payne said she was sorry and had thought that had been taken care of. The Police Chief is here, and I am sure he is very interested in what you are saying. Acting City Manager Hernandez said this property is on the demo list we put out to bid. Mayor Payne said that he is not supposed to be living in the house. Police Chief Kunihiro said there are a ton of properties around the City that are condemned. We rely on citizens, if they are comfortable with it, if they see certain things or people after hours, to call us. I understand that Mr. Smith at this point, feels he cannot trust us. We cannot be everywhere and cannot know that anyone is inside every condemned house. Mayor Payne said but Mr. Smith did call. Can we look into that? Police Chief Kunihiro said yes. It sounds like Mr. Smith had some correspondence with Code Enforcement Manager Sides, saying it is the first of the fiscal year that there will be some movement. That is accurate with what Acting City Manager Hernandez has regarding the property on the demo list. We went out for RFP, and we have a contractor set to demolish several properties around the City. Mayor Payne said the gentleman living there needs to go. I am stunned they are still squatting in that house after all these years. That should not be happening.

3. Matthew Wade said, as a citizen and the Vice President for the Flickinger Center for the Performing Arts, I am here to speak on Item 6 on today's agenda, which is about the White Sands Theater. It has been in better repair than its current state. I think the funds being requested are good for the City, Downtown, MainStreet, and the arts. I, along with the other board members, have been discussing with everyone about having an Arts District and the funding that may come with that. I do not think there would be a conflict with the things we could bring to this community. Even if we are, I think the Flickinger would still continue to bring things to Alamogordo. To have the White Sands Theater open and thriving would mean so much. It would be a bridge to all the things the City is putting down on

Main Street. I am here in support of Item 6.

4. Mike Miller said he rarely sees anyone around or working when he looks at street repairs. I see the heavy equipment, but nothing being done. Acting City Manager Hernandez said that when it is raining, we will not have people out there working. Mr. Miller said he was referring to the last couple of months. Utilities Director Nunnelley said that it is a hard question to answer. We do not have control of the contractors, just contracts with them that we try to hold them to, like designated days on the job, which we are now looking at, and also enforcing liquidated damages if they go over contract timelines. Which projects are you looking at? Mr. Miller said the ones on New York Avenue, Washington Avenue, 10th Street, or anywhere. Utilities Director Nunnelley said New York Avenue and Oregon Avenue are actually some of our busiest. The 10th Street CBC was shut down for engineering and safety purposes. We are working diligently on that now. Really, it is the contractors, their schedules, their timelines, and their inability to staff their companies. Mr. Miller asked if they were being funded while not working. Utilities Director Nunnelley said they are getting paid for the work they are performing. They do not get paid to just sit there on an idle contract. Mr. Miller said it looks idle to him when he drives by. Utilities Director Nunnelley said it is frustrating for me as well.

5. K. Jan Wafful said she wanted to give her support to Item 6. I am in talks with the Flickinger Center to do some screenings and programs and revitalize things with them as well. I am here to offer my help and support. Each theater is unique in what it will present and its capabilities. I have educational programs, seminars, and things that can be brought in, like film screens, Q&A's, and producers. Films made in our area could be screened. I have done research from 1911 to now regarding all of our film history, and I am putting that together in displays. If you need my support for the Sands Theater, I would be glad to volunteer my time and support to make that a viable venue. It would revitalize part of downtown and hook things together so that they continue across that street. The Sands Theater will be featured in a new book coming out on Movie Theater Day next year. Benita VanWinkle is a professor at High Point University in High Point, North Carolina. Since the 1980's, she has been photographing and researching different books. Her movie history book, "Please Remain Standing", will feature the Sands Theater and is available for pre-order now.

6. Jan Brending said she had thirty-five years of local government experience and wanted to support the rate increases. That may sound crazy, but I know they have to be done with thought. I know there was a lot of pushback last year when the rate increase was made. I also encourage doing a rate increase every year, no matter what, via a percentage. That way, when there is a more substantial rate increase, they are not shocked. We call that rate shocking. The other thing to consider is a low-income utility discount, which would not be on water usage itself but on base rates. We did that, and a number of cities do that for low-income seniors and low-income citizens who actually pay the water bill, not the landowners. I want to thank the Commission and City staff for the hard job they do.

7. David Scott said he was here on behalf of Alamogordo Mainstreet, as their Executive Coordinator, in support of the LEDA application submitted for the Sands Theater. It is one of Alamogordo's historic cornerstones, located directly across the Flickinger. This proposal represents the opportunity to restore the Sands Theater as a dynamic community and economic asset, breathing new life into a space that holds deep cultural value for our town. The vision is innovative and well-suited to the community, and has been modeled after other successful concepts like the Alamo Draft House in El Paso. It would bring a high-quality, innovative experience that currently does not exist in our city. With state-of-the-art digital screens and flexible programming, the Sands Theater could host Super Bowl watch parties, video game tournaments, or other private events or themed community nights. This transformation would align with the momentum being built downtown. The Sands Theater would help activate our nighttime economy, draw foot traffic, and encourage new businesses to open nearby. This would also support the Alamogordo MainStreet goal of working towards a New Mexico Arts and Cultural District designation. A key requirement of the designation is a strong foundation of cultural venues and consistent programming. The Sands Theater would significantly strengthen our case. Alamogordo MainStreet wholeheartedly supports the Sands Theater application and respectfully urge the Commission of favorable consideration.

CITY MANAGER'S REPORT

Acting City Manager Hernandez made the following comments:

1. As we are closing our fiscal year, I wanted to recognize that the success of city operations rests on the shoulders

of ten remarkable individuals. I want to take a moment to recognize each of them for their commitment, expertise, and sacrifice.

Public Works Director Jimmy Vargas – Jimmy stepped into his role during a challenging transition. With the right attitude and strong public relations instincts, he navigated tough situations with grace and determination. Under his leadership, we're successfully completing long-overdue street patching projects.

Utilities Director Dave Nunnelly – Dave's mind works at an exceptional level like something out of A Beautiful Mind. His ability to problem-solve complex issues in record time is nothing short of brilliant. He's our own version of artificial intelligence, always several steps ahead.

Fire Chief Jerry Ramirez – I often joke that Jerry was born in bunker gear. Since becoming Chief, he has brought a powerful vision for the department—one that elevates not only operations but the spirit of service to our citizens. His leadership is marked by strength, clarity, and a deep passion for the community. Jerry leads with conviction, driving his department forward with purpose and pride. His unwavering dedication to both his team and the people of Alamogordo is a model of public service at its finest.

Police Chief David Kunihiro – Just two weeks into his tenure, Chief Kunihiro faced unimaginable tragedy with the loss of Officer Ferguson. I remember sitting with him at the hospital and asking, "Do you wonder why it's you and me here right now?" His response: "No—I believe God has us where we need to be." He continues to lead with that same grace, strength, and unwavering resolve.

Finance Director Evelyn Huff – Working with Evelyn is like finishing each other's sentences. She took on a \$2.5 million project to upgrade our outdated financial software, transforming it from a 1994 green-screen version into a modern system. She's truly a budget queen and a strategic force behind the scenes. Nothing happens without the money.

Community Services Director Veronica Ortega – With nearly 45 years of service to the City, Veronica's knowledge and dedication are unmatched. Every conversation with her leaves me with deeper insight and a stronger grasp of our operations. Her legacy is one of quiet strength and institutional wisdom.

Parks & Recreation Director Belinda Bass – Though she's only been here for two years, Belinda knows Alamogordo inside and out—maybe even better than I do. She didn't just come for a job; she came to be part of our community. Whether comforting a grieving parent or facing tough questions at a town hall, she brings the perfect balance of compassion and courage.

Human Resources Director Michelle Osborne – Michelle took on HR leadership with a brand-new and understaffed team. HR is one of the hardest departments, tasked with handling every difficult issue across all departments. She does it with poise, professionalism, and a calm strength that deserves recognition.

City Clerk Rachel Hughs – One of the kindest and most grounded individuals I've ever met. Her unwavering faith and positive spirit bring peace in even the most chaotic moments. She will be one of 15 master clerks in New Mexico.

City Attorney Darrell Mori – Darrell rolled up his sleeves and got to work from day one. Though he's only been here a short time, his impact makes it feel like he's been with us for years.

Each of these directors is deeply committed to serving our community. They've sacrificed games, family events, and countless personal commitments to keep our city running. Their efforts make it possible for the city manager and assistant city manager to handle the broader challenges of leadership. These directors are not simply directors—they are true leaders. Our directors have a combined 150 years of experience,

REMARKS AND INQUIRIES BY THE CITY COMMISSION

Commissioner Robinson said that City staff do an amazing job.

Mayor Pro-Tem McDonald said there will be a Clean-Up on July 19, 2025, from 7:00 AM to 12:00 PM. This is the sixth year we have been doing this Clean-Up. I would like to thank the City staff for their help, as well as the sponsors. We will have shredding on July 19th. Seven properties have been entered for the Clean-Up, twenty-two volunteers, and five Commissioners will be at designated sites. We plan to do around thirty to thirty-five properties. The Clean-Up is getting bigger over the years, and we hope to get more people.

Mayor Payne said she disagreed with comments made last night at the Joint-City Commission Meeting, and she wanted to give a shout-out to the Police and Fire Departments. I appreciate their professionalism.

CONSENT AGENDA

3. Approve the minutes for the Regular Commission meeting on June 10, 2025. (Rachel Hughs, City Clerk)

4. Consider, and act upon, Ordinance 1715 for final publication repealing Ordinance 1557 pertaining to the approval of a Local Economic Development Project for secured financial assistance proposed by PreCheck, INC. (Darrell Mori, City Attorney; Kevin Wilson & Jim Lucero, New Mexico Economic Development Department) (Roll Call Vote Required)

5. Consider, and act upon, an emergency funds appropriation of \$6,527.24 through the Capital Outlay Bureau with the Aging & Long-Term Services Department for the purchase and installation of a gas range/griddle for the Senior Center kitchen. (Magdalena Morales, ASC Manager, and Veronica Ortega, Community Services Director)

Commissioner Burnett moved to approve.

Commissioner Rardin seconded the motion.

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

ITEMS REMOVED FROM CONSENT AGENDA

None.

NEW BUSINESS

6. Consider, and act upon, Ordinance 1716 for first publication to approve a Local Economic Development Project for up to \$1,000,000, Secured Assistance Proposed by White Sands Theater Entertainment Venue. (Troy Stegner, Owner) (Roll Call Vote Required)

Mr. Stegner gave his presentation and asked the Commission to approve this ordinance.

Mayor Pro-Tem McDonald asked about what parts would be demolished. Mr. Stegner said the interior footprint. The upstairs is currently blocked off, so we are going to take those walls out and make an actual balcony area. We will not need the projector area because the digital screen does not need one. We are thinking about making the front area a film office museum.

Commissioner Robinson asked when this would be completed if everything goes well. Mr. Stegner said it depends on contractors. I think it will take ten months to a year if there are no delays.

Commissioner Rardin said there are no revenue projections. It just has payroll. Mr. Stegner said he did not know those numbers, but we hope five employees will be enough to start with. We can always hire more people if we need them. We also have employees from Las Cruces we could temporarily bring in. Commissioner Rardin said so you do not have any revenue projections. Mr. Stegner said he did not. Commissioner Rardin asked if we would be paying the \$1,000,000 back in job creation. Acting City Manager Hernandez said yes sir. This would be the first LEDA awarded to help develop the arts, cultural, and entertainment industries within Alamogordo. Commissioner Rardin asked Acting City Manager Hernandez to send the LEDA ordinance to the Commission via email tomorrow. Acting City Manager Hernandez said yes. Page two of the green sheet has direct snippets from the ordinance.

Commissioner Tapley said the attached ordinance has Moran & Wright Jewelry Care and Metal Care Products mentioned. Is that Zia Comics? Acting City Manager Hernandez said no. That was my fault, and I will change it to Zia Comics. Commissioner Tapley asked if Mr. Stegner had purchased the building. Mr. Stegner said we own the building outright.

Commissioner Rardin asked if the money would be used for renovation. Mr. Stegner said yes. It will take more than the \$1,000,000 we are getting, but we are looking at other funding. If not, we can fund the rest of it ourselves. Commissioner Rardin asked if they already had a contract with White Sands Construction to do this. Mr. Stegner said no, they just gave us an estimate of \$1,200,000. Commissioner Rardin said he worked with that contractor and asked the Commission if they had any issues with him voting. Commissioner Guthrie said no. Mr. Stegner said they were not tied to that contractor. They were just available at the time to give an estimate.

Commissioner Robinson moved to approve.

Commissioner Guthrie seconded the motion.

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

7. Discuss Water Rate Analysis. (Stephanie Hernandez, Acting City Manager, Evelyn Huff, Finance Director, David Nunnelley, Utilities Director)

Finance Director Huff said in your packets, if you look at the Technical Memorandum prepared by Govrates, it discusses the analysis of the ten months of water rates revenue we had available up to April 30th, so we could have time to prepare the report. In the Executive Summary, President Bryan Mantz very clearly recommends that we continue implementing the five-year plan that was passed as part of the resolution, and was also used as the basis for the loan that we secured through the New Mexico Finance Authority. That would move us to another increase on July 1st. The Executive Summary also discusses the affordability of the rates and compares them to other New Mexico Communities, along with where we are, and other key considerations going forward.

Commissioner Burnett said that when this was first implemented, I received phone calls regarding inconsistencies in the water billing itself. Are there issues in that particular area? Finance Director Huff said that when we presented the rate increase, we could have presented it differently because of the change in sewer calculation. It was presented as a certain percentage increase, so people expected that you would take your bill and just add thirty percent to it. That was not necessarily the case because of the winter quarter average to doing a percentage. Some had no increase because their winter quarter average was extremely high. Moving down to ninety percent of the sewer would mean they saw no increase. Other people saw an increase larger than thirty percent because they had almost no winter quarter average. This also showed us the inconsistencies in the winter quarter average. If you lived on a property that was vacant or had a low winter quarter average, you paid almost nothing for sewer. Others with very high winter quarter averages were paying a disproportionate amount of sewer. I know that Acting City Manager Hernandez talked to about three hundred and fifty people over the course of a few months and had an Excel sheet to show them their new bill and what it would have been under the old rate structure for comparison. Differences also came from going from a tiered system to a one-rate system. Acting City Manager Hernandez said from May to July, people were also filling pools and watering. Acting City Manager Hernandez said she would go through packets and bills with them. It was implemented at the beginning at the fiscal year, but should we have implemented it in the winter? I do not know. I anticipate more calls with the rate increase, but people are also normalizing their consumption. We allow base rates to now be turned off, which we did not do before. Commissioner Burnett asked what the rate increase would be. Finance Director Huff said twenty percent. The resolution is in the Technical Memorandum, and it shows you that. For example, for a three-quarter meter, the base rate would go from \$19.37 to \$24.21, and per-cubic-foot usage consumption would go from \$2.88 to \$3.60. Commissioner Rardin said on average, what are we looking at for the increase on this go-around? I thought it would be thirty, twenty-five, twenty, and then seven. Finance Director Huff said I have thirty, twenty, twenty, ten, and seven written down. It is between twenty and twenty. Commissioner Rardin said last time it was mentioned that it would be a \$14 increase on the water side, but it ended up being considerably more. What are we looking at? Finance Director Huff said she had not run an average bill to see what the change would be. Commissioner Rardin said at his residence, it went from around \$54 - \$56 to \$77 - \$88. Finance Director Huff said the increase would be smaller this time. There will not be a sewer or tier change, just the flat percentage change. Mayor Payne asked if it would just be the water, then. Finance Director Huff said the sewer would change as well. Garbage changes every year per contract.

Commissioner Tapley asked if irrigation was looked at. Finance Director Huff said we did. We had Mr. Mantz research it, and we charge substantially less than most communities do for irrigation. It is standard practice to charge more because it is one hundred percent discretionary usage and meets no one's basic human needs. He sent us examples from different communities in New Mexico and the nation. We were in line or less than a lot of them. Commissioner Tapley said he had not seen that. Finance Director Huff said it was not something we shared with the Commission, we had him do it for our knowledge as part of this. Commissioner Rardin asked if it could be sent to the Commission because he would like to see it. Finance Director Huff said yes.

Mayor Payne asked if six thousand gallons was around the average for a household. Finance Director Huff said correct, six thousand gallons a month is considered the industry standard for a standard household. Mayor Payne said that says a monthly bill would be \$88.76. Would that be the new rate? Finance Director Huff said correct. Looking at the first page, ES-1, shows that the majority of it is water, and a smaller part is sewer. The water rates that would be effective on July 1, 2025. Commissioner Rardin said he uses between three thousand four hundred to three thousand eight hundred gallons a month and I am around \$78 right now. Finance Director Huff said she could not comment on a specific bill without looking at it. Commissioner Rardin said on the old system it was about three hundred cubic feet a month. Finance Director Huff said it is not a new measuring or billing system, it still reads cubic feet and has the same billing system. We are still billing per cubic feet, we did not go to gallons. Commissioner

Rardin asked for the increase of the average for a six thousand gallon household to be sent to him. Finance Director Huff said yes, we can look at that. It would be in the original study. Commissioner Burnett said his would go from \$130 to \$75 then back to \$130 when he was using the same amount of water. That is why I was asking about inconsistencies. Finance Director Huff said it was the same meter and system, just a different rate.

8. Approval to Cure a Violation of the Open Meetings Act Pursuant to NMSA 1978, Section 10-15-3(B), by Acknowledging and Reaffirming Actions Taken on March 31, April 1, and April 2, 2025. (Darrell Mori, City Attorney)

City Attorney Mori said the Open Meetings Act violation took place during the hiring process of the next City Manager. When interviews were being held, that was first supposed to go into an open meeting, and then you would go into an executive session. We did not have proper notice of the meeting before the interviews. Per the Open Meetings Act, any type of public business has to be at first stated in an open meeting. Personnel decisions are one of the exceptions that is allowed to go into an executive session. The interviews that took place for City Manager on Monday, March 31st, Tuesday, April 1st, and Wednesday, April 2nd, should have had an open meeting first, and then adjourned into an executive or closed session. In talks with the New Mexico Department of Justice, per the Open Meetings Act, the way to rectify this situation is to be open and transparent with the city that the violation occurred and announce that. To emphasize what we are doing, a public meeting held to address a claimed violation of the Open Meetings Act shall include a summary of comments made. There was no meeting that actually happened to give that proper notice. There is no comment on the statements made. This announcement is an acceptable cure so the City can proceed with the process of looking for and hiring a City Manager. At the next City Commission meeting, we can then approve what was said. The New Mexico Department of Justice was impressed that we did a self-report and were pleased that the City was proactively taking steps to be transparent.

Commissioner Robinson asked why the approval would happen at the next meeting and not this one. Acting City Manager Hernandez said this is a request for approval, so you will have to make a vote. Commissioner Rardin asked if it was okay written that way instead of discussing possible action. Acting City Manager Hernandez said City Attorney Mori ran the wording with the New Mexico Department of Justice. City Attorney Mori said correct. Mayor Payne said so it is okay that it is not on the agenda specifically to take action. Commissioner Rardin said it does say approval.

Commissioner Robinson moved to approve.

Commissioner Rardin seconded the motion.

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

9. Information on the cancellation of the city manager recruitment. (Darrell Mori, City Attorney)

City Attorney Mori said this one is slightly different. The first was a very apparent violation of the Open Meeting Act. With this one, the New Mexico Department of Justice highly emphasized that we cure it the same way. There was an instance, as this proceeded the Open Meetings Act violation that was discovered. The City tried its best to rectify that by ceasing the proceedings for the City Manager Recruitment. In doing so, that can be considered a final business action and public business. So, depending on the Department of Justice Investigator, that could be a violation or they could let it slide. The Department's emphasized instruction was to cure this as well by being transparent with the public that City business was done that was not in an open meeting. Their exact quote, "Anytime a public body is making a public policy, or a public body is making a business decision, that decision must be made in a public meeting. To close the whole recruitment process could be deemed a matter of public business." That was the Department of Justice reaching out to us to let us know to be transparent in the fact that a final decision or a public business decision was made not in an open meeting, when the posting for the City Manager was cancelled.

Acting City Manager Hernandez said that in this one, the question was whether the Human Resources Director had the authority to close the decision. In going through the Charter, statutes, policies, and procedures, there is nothing that says she does not have the authority to close job. Commissioner Rardin said, but who hires and fires? Acting City Manager Hernandez said I will get there. There is also nothing that says outside of the City Commission, hires and fires them. It does not say the governing body is the sole to open or close the job. It is wording we have gone over because we wanted to cure this in the fact that the final decision was not made in an open meeting. It is not an Open Meetings Act violation because the governing body did not take the action. It is a perception of a violation. Technically, it is not a violation, but we are bringing it forward to be transparent and provide the information as to

why it was closed. Commissioner Rardin said the governing body did not give direction to staff to do the action. Acting City Manager Hernandez said that is correct. Commissioner Rardin said that is where I have the issue. Acting City Manager Hernandez said we have to put a very clear policy together, and it may be brought at the next meeting or the one after. The policy that happens is that the governing body is the sole decision makers on all aspects of the City Manager recruitment. Commissioner Rardin said the Charter already states that the City Manager is our one and only employee. Acting City Manager Hernandez said yes, and I agree, but it is a technicality of words. City Attorney Mori said he wants to make it clear that this one was not a direct violation of the Open Meetings Act. The New Mexico Department of Justice was just very adamant that we be transparent, and we continue the mode of transparency as we did with Item 8. The suggestion was to create such a policy or standard of practice to ensure there are clear lines of responsibility and delegations of powers as far as when it comes to the hiring or selection process of a City Manager.

Commissioner Guthrie asked what the next step is after we have cured and gone through this process. What is the timeline for proceeding with the recruitment process? City Attorney Mori said the next step after we get the minutes showing the vote of the approval of the cure of Item 8 is that the minutes of this meeting will be sent to the New Mexico Department of Justice for them to have on file to show that the City of Alamogordo has cured the violation. That way, it is there, and if, for whatever reason, something were to happen, they have a record that the City both self-reported and self-cured. That mainly goes to protection. Some of the different punishments, like threatened fines, political issues, and public trust, a lot of those violations start compounding if there are multiple violations that have not been cured. This goes towards a building foundation of trust with the New Mexico Department of Justice. Should there be a violation in the future, it shows that the City is proactive and it builds grace to avoid harsher punishments or penalties. Once that has happened, we can start proceeding on creating a policy on how the Commission wants to proceed on the selection process of the City Manager. The violation was not publicizing the interviews. The process the Commission went through was fine. Holding the interviews in closed session was fine. The cure does not necessarily mean we need to restart from square one, but we need to talk about best practices in how the Commission would like to proceed in the future. Once the cure is sent to the NMDOJ, we are going to get the green light from them to proceed. After that, it will be in the Commission's court as to how soon we want to proceed.

ADJOURNMENT

Commissioner Robinson moved to approve.

Commissioner Rardin seconded the motion.

Motion with a vote of 7 - 0 - 0.

ATTEST:



Mayor Susan Payne



City Clerk Rachel Hughes

(Prepared by Dylan Aleshire, Deputy Clerk)

Approved at the Regular Meeting held on July 8, 2025.

