

**CITY OF ALAMOGORDO, NEW MEXICO
CITY COMMISSION REGULAR MEETING MINUTES
6:30 PM, DONALD E. CARROLL COMMISSION CHAMBERS
September 9, 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
DARRELL 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 Deputy City Clerk. Deputy City Clerk Aleshire announced there was a quorum present.

INVOCATION & PLEDGE OF ALLEGIANCE

The Invocation was given by Mayor Payne, and the Pledge of Allegiance was led by Commissioner Tapley.

APPROVAL OF AGENDA

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

PRESENTATIONS

1. Constitution Week Proclamation. (*Susan L. Payne, Mayor*)

Mayor Payne proclaimed the week of September 17th through the 23rd as "Constitution Week" and urged all citizens to study the Constitution and reflect on the privilege of being an American with all the rights and responsibilities that privilege involves. She presented the proclamation to Cathe Prather, the State Representative of the Daughters of the American Revolution.

PUBLIC COMMENT

1. Scott Frederick said he was with the US Veterans' Motorcycle Club. There will be an Honor Flight with Patriot Guard Riders. One of their Captains is one of the veterans going on the trip this year. We will escort them back from El Paso to Patron's Hall. We have received great support from the Alamogordo Police Department, the Alamogordo Fire Department, and others in the past. This trip will be on Saturday, September 27th. They will arrive around 4:00 PM to 4:30 PM in El Paso, and we will be at Patron's Hall around 7:00 to 7:30 PM. Please come by and welcome home folks who did not get a good welcome when they came back from Vietnam.

CITY MANAGER'S REPORT

Acting City Manager Hernandez made the following remarks:

1. As a reminder, I will be off on Monday, Tuesday, and Friday of next week.

REMARKS AND INQUIRIES BY THE CITY COMMISSION

Commissioner Rardin asked for an update on the project on New York Avenue. Why is no one working down there? I drive down there every day. I do not understand why they cannot get the north side completed and open. Acting City Manager Hernandez said they are on a schedule and on time. This is not one we have issues with regarding scheduling. They technically have through November and June to have things completed, but they will be completed by October. They use their days wisely. Commissioner Rardin said it looks bad to the public when a project sits there and no one is working. Senior Project Manager Boyle said they are there every Monday through Thursday. They were there today forming all the pylons. They were across on 10th Street, across the courthouse this morning. They did the other three pylons this morning. They are cleaning up the 900 block while they are waiting for the concrete tomorrow. They will pour eighteen yards. Commissioner Rardin said he was there at 2:30 PM today and there was not a single employee there. Senior Project Manager Boyle said they probably left early because of all the concrete they will pour tomorrow. They are way ahead of schedule. With the change orders, technically, their completion date is not until June 2026. Commissioner Rardin said he was sure all the businesses down there are ready to open.

Acting City Manager Hernandez said we meet with those businesses regularly. Senior Project Manager Boyle said I meet with business owners outside of work hours to ensure everyone is happy, and they are happy. Commissioner Robinson asked if there were flooding issues on New York Avenue, given the recent rains. Senior Project Manager Boyle said no.

Commissioner Burnett said he drove down the Scenic Extension on Friday and stopped to talk to a gentleman. He had a wheelbarrow and a shovel and was chopping down weeds on the sidewalk. About a month ago, I asked about chopping the weeds down. I do not understand why we are not getting it done. Acting City Manager Hernandez said we have a contract for weeds. I will see where Public Works Director Vargas is on that. Commissioner Burnett said we have a contract, but we have citizens doing this. Acting City Manager Hernandez said we have a lot of weeds out there and are working through it. Commissioner Burnett said we cite citizens for not taking care of weeds, but we do not do it ourselves. She said there was a great monsoon season this year.

Commissioner Guthrie asked where we were with the Juniper Study. Acting City Manager Hernandez said she believed they were going to put up traffic cameras, speed monitors, and signs. We are waiting for the task order to be signed.

Commissioner Tapley said referring to weeds. Are we using an outside source for that? Acting City Manager Hernandez said yes, we have two or three of them. Commissioner Tapley asked if they had a list of which streets they do on what days. She said they do have sections, but I do not know about a list. If there is one, I can get it from the departments who are tag-teaming this. Commissioner Tapley said there is a growing forest on Desert Lakes Road. Commissioner Rardin said also on Lavelle Road. Commissioner Tapley asked if a citizen could call and find out what is scheduled to be done on what date. Acting City Manager Hernandez said she would get a list regarding how the work is being allocated.

CONSENT AGENDA

2. Approve the minutes for the Regular Commission meeting on August 26, 2025. (*Rachel Hughs, City Clerk*)

3. Consider, and act upon, an agreement with Otero County for receipt of the \$35,000 reimbursable grant award for the Alamogordo Public Library services to County residents. (*Kim Underwood, Library Manager*)

4. Consider, and act upon, Resolution 2025-28, declaring 1401 Mountain View, 1500 Ohio, 1802 Mason, 1104 Lindberg, 1108 Airport, 2204 S. Walker, and 123 Railroad no longer being ruined, damaged, and dilapidated, or a menace to public comfort, health, peace, or safety. (*Josh Sides, Code Enforcement Manager*) (Roll Call Vote Required)

5. Consider, and act upon, the award of Public Works Bid No. 2025-006, Otero/ Greentree Regional Landfill Cell #6 Project No. LF2402, to CBKN Dirtworks Inc., related to the Otero/ Greentree Regional Landfill Cell #6 project in an amount not to exceed \$1,998,402.72, including NMGR. (*Justen Boyle, Senior Project Manager*)

Commissioner Burnett moved to approve.
Commissioner Tapley 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 1717 for first publication, approving a loan agreement in the amount of \$12,000,000 with the Drinking Water State Revolving Loan Fund for the construction of approximately 6.5 miles dedicated transmission water pipeline from Snake Tank Well 5. (*Evelyn Huff, Finance Director*) (Roll Call Vote Required)

Finance Director Huff said this was for a loan agreement we requested many years ago, but we have been working on right of way issues that face this project. It goes down the DOT and Railroad right of way. Those issues have been mostly solved, and it is currently at the State Land Office for their final review. The New Mexico Finance Authority felt we were in a good place to close on this loan. This amount will hopefully get us six and a half miles, but it will probably get us closer to five miles of additional dedicated well pipeline.

Mayor Payne asked what this pipeline was for. Finance Director Huff said it was to convey water from the Snake Tank Well Field to wherever the Commission decides to have the Reverse Osmosis Plant. This will get us from one mile south of the Snake Tank road to about where the overpass in Tularosa is.

Commissioner Rardin asked what Fund the debt service for this would come out of. Finance Director Huff said this would be Fund 81. This is a water state-revolving loan fund, so it has a forgiveness on it, which is in the Agenda Report. It is around \$7,000,000. He asked if we got \$4,000,000 for free. She said yes. He asked if the six and half miles was based on the Engineer's Estimate. She said yes. When this was originally put in, it was before the tariffs and other things. The Utilities Director told me that he feels this is closer to five miles. Commissioner Rardin asked how many miles were left after this was done. Finance Director Huff said thirteen to the La Luz connect. That is when a decision will need to be made. Do you turn up to La Luz and put the RO Plant there? Do you continue to spend money on the pipeline to get it to Lavelle? He asked if most of that was already in from La Luz to the plant. I thought they put in a lot of line going down the bypass to the Lavelle road facility. Utilities Director Nunnelley said there was a well transmission line from La Luz Gate Road to the existing RO facility. Once we get the next thirteen miles, it will be connecting that. Right now, it costs three times the amount of water because we have to pump it from there, to west side, then back here to get into Green and the entire system. At some point, there will need to be a decision. Do we want to relocate that up to La Luz and pump it from the Snake Tank directly into town? They put in a lot of line back in 2004 and 2006, which was also under a drinking water revolving loan. Commissioner Rardin asked what would be done with the line in the ground if we decided to change. Utilities Director Nunnelley said we would repurpose it for transmission mains to convey water from Green to Zones 4 and 5. There are definite uses for it.

Mayor Pro-Tem McDonald asked how long it would take for the six and a half miles to be completed. Utilities Director Nunnelley said the project was anticipated to be fourteen months. Twenty-four inch pipeline is made to order, so it also depends on availability. It could be here in three or nine months. It depends on supply and demand.

Commissioner Rardin asked if the line from Snake Tank to the highway was already done. Utilities Director Nunnelley said yes. The line is from Snake Tank Well Field all the way down to the highway. We have one mile from that intersection coming towards town. Commissioner Rardin so that is where this will start. The one-mile marker going towards Tularosa. Utilities Director Nunnelley said correct. Hopefully, we can have dual conveyance systems. We have one for Bonito Lake, and then we will have one from the Snake Tank. We would have that to fall back on the event of a catastrophic fire in the Spring area, which is a matter of if, not when.

Commissioner Robinson moved to approve.
Commissioner Guthrie seconded the motion.
Motion Passed with a vote of 7 - 0 - 0.

7. Consider, and act upon, Resolution 2025-29, a resolution expressing the intent of the City of Alamogordo, New Mexico to cooperate with Otero County, New Mexico, to: (1) designate the proposed redevelopment area as a metropolitan redevelopment area under the Metropolitan Redevelopment Code, (2) prepare and approve a metropolitan redevelopment plan for the rehabilitation and redevelopment of such area, including the Patriot Pointe development; and (3) authorize a 7-year redevelopment tax abatement through the Metropolitan Redevelopment Code process. (Darrell Mori, City Attorney) (Roll Call Vote Required)

Acting City Manager Hernandez said that when staff originally put this on the Agenda, we did not recommend approving it because there were many questions we needed to answer. We spoke to Chris Muirhead today and staff has changed their stance on this. We no longer oppose it. Some questions included liability to the City, exposure, and claims of favoritism. These questions were all ones brought from the Commission or ones we had ourselves. We were satisfied with the answers that Mr. Muirhead gave us. The exposure to the City is very limited. We do need to make a change to Section 6 on the resolution. It currently reads, "Should the designation of the Proposed

Redevelopment Area, the Necessity Ordinance, or related actions be challenged in litigation or administrative proceedings, the County agrees to aid in defending such actions." It will be changed to, "Should the designation of the Proposed Metropolitan Redevelopment Area, or subsequent Metropolitan Redevelopment Plan, be challenged in the litigation or administrative proceedings, it shall be the duty of the County to defend such actions". The reason for that is that the County will be the ones who are doing the Metropolitan Redevelopment Act. So that will not fall to the City.

Mayor Payne said so the City will not incur any liability if this goes to court. It would only be on the County? City Attorney Mori said anybody can sue over anything, and nothing is litigation-proof. However, in this case, for this specific parcel in which we are looking to adopt an ordinance to allow Otero County to develop a Metropolitan Redevelopment Plan, after reviewing this with County Attorney Nichols and our own contracted attorneys, the exposure to the City is very limited. That was a chief concern of the Commission and my office. Through research, liability to the City is limited, and we have more reign to explore options. Mayor Payne asked if everything would be on a case-by-case basis. I have received many calls asking if they were allowed to do the same thing. Part of the litigation would be if the next person does not get the same deal as this one. City Attorney Mori said with that, should a redeveloper or Commission see a need, if an area fits those definitions and parameters that apply, it would be something we would then consider. If it checks those boxes and is defensible, it is something we can look at. This one is specifically for housing, which the County and City have a desperate need for. It would be very case-by-case. Mayor Payne said she is thinking specifically about housing. City Attorney Mori said every parcel or area of land seeking this type of designation or ordinance would be different. It would be case by case. Mayor Payne said if this one meets the definition, the rest should.

Mayor Pro-Tem McDonald asked if this area would be considered blighted. City Attorney Mori said this resolution shows that the City is in good faith considering this as an option. Should the resolution go forth, it would be upon the County to start doing public hearings. Checkboxes are required for any county or municipality attempting to create an MRA. As that gets going, the city's requirements are to create an ordinance designating that there is a specific need for housing in the area, and designating that it would support the county's efforts in their plans to create an MRA. It would be the county that designates a parcel or area as blighted. That is where the liability shifts from city to county. Mayor Pro-Tem McDonald said so this resolution would not declare an area blighted. City Attorney Mori said no. This resolution solely states that the City and it's Commission has a good faith intent to support and make way for the County open and exercise an MRA. We openly talk about the plan for a tax abatement for that specific plot and parcel. It just states our intent. Then the developer could take it to HUD and state that the ball is rolling, that this is the plan, and that this is what we are striving for. This resolution does not designate blight. Mayor Pro-Tem McDonald said it states two hundred and twenty-eight units. I thought it was one hundred and fourteen? Did that change? Acting City Manager Hernandez said we will change that to one hundred and fourteen units.

Commissioner Rardin said that by us doing this resolution, this is mainly so he can apply for HUD funding, correct? Acting City Manager Hernandez said he is getting a secure loan, but his financing is through a private bank. He said it is essentially backed by HUD. She said correct. He said that is basically the different between this one and a private developer coming. She said that is basically how I understand it. Mr. Valencia said to clarify the HUD commitment, I basically sign it. HUD has approved a \$21,000,000 loan, which requires another \$3,000,000 equity from us as developers. It does not obligate me to close the loan. I am trying to justify the numbers we have. What I ask of the Commission to approve this is, the program is to assist us in getting the deal done. The numbers are not working right now. It has already been approved. What happens now is, it goes to a Wall Street trading partner to secure the money. The HUD commitment is basically an insurance policy by the federal government that ensures me, saying that if I fail, the Department of Housing picks up the project. Then the funding will go through. All I am trying to do now is meet my deadline. Within the next couple of weeks, they will meet and determine the final interest rate, then it will lock, and we will continue from there. The biggest thing about the HUD commitment and process is that it takes over a year to complete. The federal government insures the loan, and it insures me that I will be able to satisfy the requirements, build the project, follow the standards, and deliver a project.

Commissioner Rardin said I have questions regarding the property tax abatement. We are currently generating around \$1,800 a year of revenue from it. From the last presentation, staff said our portion of it would be \$384,000 over a seven-year period. Acting City Manager Hernandez said she would defer to County Attorney Nichols regarding the evaluation of that, but whatever we get, we still will. Commissioner Rardin said so we will get the \$1,800 a year. Acting City Manager Hernandez said yes. It just freezes the taxes. Commissioner Rardin said what about after the seven-year period? How much are we essentially losing? Right now, we are not losing anything. Acting City Manager

Hernandez said that is correct. We will not be losing money, depending on how you look at it. We are keeping it at the same level, but we are losing money on the total evaluation. Last time I misspoke. I got the percentage wrong with the schools. The schools are about ten percent, and we are about five percent. Our amount would be lower than the numbers calculated on our end. The \$384,000 was at ten percent. He said so we would be roughly half of that. Divide that by seven, and that is how much we would actually generate a year. She said on the estimated increase in value, yes. He said so it is a minimal amount of money we are not going to get. That was one of the biggest concerns I hear. She said for awareness, we also got concerns from the schools. We put on this that the County would work with the schools in good faith to get support on this. We got questions about that. I believe you spoke with County Attorney Nichols about that. City Attorney Mori said he had been working with County Attorney Nichols as that was a chief concern. They thought no taxes would come in at all, versus the price staying where it is currently at until the seven years are up. Then it will be reassessed with the new development at a higher property value, which will be the new tax. The County has been very agreeable so far in working with us.

Acting City Manager Hernandez said regarding the amendments, we will change the two hundred and twenty-eight units to one hundred and fourteen units, and Section 6 will be changed to say, "Should the designation of the Proposed Metropolitan Redevelopment Area, or subsequent Metropolitan Redevelopment Plan, be challenged in the litigation or administrative proceedings, it shall be the duty of the County to defend such actions".

Commissioner Guthrie moved to approve as amended.

Commissioner Rardin seconded the motion.

Motion Passed with a vote of 6 - 1 - 0. Mayor Payne voted nay.

EXECUTIVE SESSION

8. Adjourn into Executive Closed Session in compliance with 10-15-1(H)(7) NMSA (as amended) to discuss Pending Litigation: Otero County/Tularosa Basin Regional Dispatch Authority. (Darrell Mori, City Attorney) (Roll Call Vote Required)

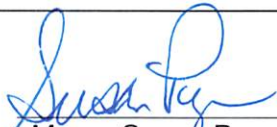
Commissioner Rardin moved to adjourn to Executive Session at 7:09 PM.

Mayor Pro-Tem McDonald seconded the motion.

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

ADJOURNMENT

ATTEST:



Mayor Susan Payne



City Clerk Rachel Hughes

(Prepared by Dylan Aleshire, Deputy Clerk)

Approved at the Regular Meeting held on September 23, 2025.

