

## REGULAR CITY COUNCIL MEETING

July 20, 2015

6:00 P.M.

Mayor Jerah Cordova called the Regular Meeting of the Belen City Council to order at 6:00 P.M. Roll call taken by Leona Vigil, City Clerk.

**PRESENT:** Councilor Darleen Aragon  
Mayor Pro-Tem Wayne Gallegos  
Mayor Jerah Cordova  
Councilor David Carter  
Councilor Frank Ortega

**CITY MANAGER:** Jay Ruybalid

**CITY CLERK, CMC:** Leona Vigil

**REPORTER:** Clara Garcia, VC News Bulletin

**OTHERS:** See attached sign-in sheet

### PLEDGE OF ALLEGIANCE

Mayor Jerah Cordova led the Pledge of Allegiance.

### APPROVAL OF AGENDA

Mayor Jerah Cordova asked to add an item to the Executive Session Discussion; litigation regarding the Heart of Belen. Councilor Frank Ortega moved to approve the Agenda. Mayor Jerah Cordova asked for a second. Councilor Darleen Aragon seconds the motion. Roll Call Vote:

Councilor Frank Ortega	Yes	
Councilor David Carter	Yes	
Councilor Wayne Gallegos	Yes	
Councilor Darleen Aragon	Yes	Motioned Carried

### APPROVAL OF MINUTES

Mayor Jerah Cordova asked for an approval of the Minutes dated July 6, 2015. Councilor Frank Ortega motioned to approve the Minutes. Mayor Cordova asked for a second. Councilor Wayne Gallegos seconds the motion. Roll Call Vote:

Councilor Frank Ortega	Yes	
Councilor David Carter	Yes	
Councilor Wayne Gallegos	Yes	
Councilor Darleen Aragon	Yes	Motioned Carried

### PUBLIC COMMENTS

**Michael Montoya:** He has concerns with, and asked the Mayor, what Belen was doing to attract businesses, create jobs and enforce the zoning laws.

**Florella Padilla:** She lives in Peterbilt Park. She reported that the road between the Credit Union and Lota Burger is horrible. She says the City is usually good at maintaining it, but it has gotten bad. Mayor Cordova advised her that they will address the matter. She left a petition to repair the road; a copy is attached hereto and made an integral part of these minutes by reference.

Mayor Jerah Cordova asked if there was anyone else with public comments. There were no more public comments at this time and Mayor Cordova closed this portion of the meeting.

## **PRESENTATION**

### **GO BOND: John Archuleta, George K. Baum & Associates and Duane Brown. Modrall Law Firm**

John Archuleta went over a copy of his presentation, which is attached hereto and made an integral part of these minutes by reference. On page 7, there is a five year history of the City's assessed valuation. The City has an assessed valuation of 126,268,371.00. The City's present bonding capacity is 4%, so the amount would be 5,500,00.00. The five year history of mill levy for operation; there are no GO Bonds outstanding. If the City does decide to pursue financing, we will have to increase the mill levy in order to pay off the debt service. The City is looking at a GO Bond which will be paid by the ad valorem tax. Page 11 shows 3 ½ million dollars for a fire station and about 2 million dollars for sidewalk improvements. The cost for the fire station would be about 2.65 per 1,000 of assessed evaluation and 1.51 for sidewalks; 4.17 per 1,000. For example, if you own a 150,000 home you pay taxes on 1/3; costs would be \$208.00 per year. If you own a 100,000 home the costs would be about a 139.00 a year. This would be paying back the debt on a 15 year pay back schedule; or it could be extend up to 20 years.

Councilor Carter asked what the current market is on interest rates. John answered 2 ¼ % over-all interest cost. He used 4% in some of his figures, so that he could have wiggle room.

Councilor Carter asked which way the market was going: John answered that they have been maintaining, but they are supposed to be going up.

Councilor Gallegos summarized what John reported earlier, 5.5 million dollars is needed for the fire station and sidewalks. Our capacity is lower than it should be, so the mill levy would have to be increased. The City has no outstanding bonds; therefore in order to issue new debt and be able to pay off the debt, we will have to increase our mill levy by a little in order to pay of the debt.

Councilor Ortega asked the Mayor, "Are we doing sidewalks in this project also?" Mayor Cordova was hoping to propose both to the Council.

Councilor Ortega asked if it would include Delgado Street. Mayor answered, it's a possibility.

Duane Brown went over the schedule of the election. He will work with the City Clerk to make sure the items on the schedule get accomplished.

Mayor Cordova asked John if the City can add acquisition to the question, in case we need to buy property. John answered yes.

Duane stated that if the election is in favor, another schedule will then be created. After election, the City can proceed 60 to 90 days after the election.

Councilor Carter asked if the mill levy will remain constant throughout the duration. John replied, as your assess evaluation increases your mill levy will be coming down on a year by year basis.

Councilor Carter asked Chief Manny Garcia if 3.5 million is enough to have a fire department that will last 40 years. He informed the Council that 3.5 million was the estimate in 2009, and he does not have an updated cost estimate from Molzen Corbin. Chief Garcia stated that there is a small piece of property south of the station that could be used for the new fire station, and the last assessed value of that property was about \$20,000. John Pate from Molzen Corbin handed out a draft of the fire station floor plans. He advised the Council that these plans came way back, in 2006. He informed the Council that one thing that has changed is the hard cost, which is just under 3 million. He explained that the design is for a two story building because of the lack of room, due to the alley. He further explained, if we abandoned the alley way, we can use one story.

He reported that if we go one story, that will change the estimated costs. As for tonight, 3.5 million is hard cost and another 20% for contingencies; somewhere in the neighborhood of 3.5 to 3.6 million.

Councilor Carter asked Chief Garcia to get with John Pate and Jay and get what is needed put together. He stressed that the fire department is the primary priority.

John Pate pointed out that the fire station across the bridge was built in 2000 and it still looks new. He added that the building is really taken care of, just like the waste water plant. John Pate will have an update in about a month.

**FIRE DEPARTMENT UPDATE: Manny Garcia, Fire Chief**

Fire Chief Manny Garcia went over his presentation; a copy of that presentation is attached hereto and made an integral part of these minutes by reference.

**DISCUSSION WITH POSSIBLE ACTION**

**APPROVAL OR DISAPPROVAL OF THE MUTUAL ASSISTANCE AGREEMENT: Chief Manny Garcia, Fire Dept. Gallegos, Ortega**

Chief Garcia advised the Council that this is the same agreement that is approved every year. The agreement is between the Central New Mexico Correction Facility and the City of Belen. Councilor Carter asked if anything has changed. Chief Garcia answered, just the date.

Mayor Jerah Cordova asked for approval or disapproval of the Mutual Assistance Agreement. Councilor Wayne Gallegos motion to approve. Mayor Cordova asked for a second. Councilor Frank Ortega seconds the motion. Roll Call Vote:

Councilor Frank Ortega	Yes	
Councilor David Carter	Yes	
Councilor Wayne Gallegos	Yes	
Councilor Darleen Aragon	Yes	Motioned Carried

**APPROVAL OR DISAPPROVAL OF THE AUTHORIZING RESOLUTION FOR THE DRINKING WATER STATE REVOLVING FUND: Jay Ruybalid, City Manager**

Jay Ruybalid informed the Council that this issue has been discussed in a prior meeting. He explained that the application is for a grant loan combination for the electronic meter water system. He reported that the City of Belen is qualified for a loan, and the project is estimated to be 1.3 million dollars. The resolution is to approve the application submission.

Councilor Wayne Gallegos asked if the electronic meter water system project is the one that was switched with the Reid Mae pond project. Jay answered, yes. Gallegos stressed that this is needed for efficiency.

Councilor Carter asked if the meters will transmit the readings to a central location. Mayor Cordova informed the Councilor that there will be multiple repeaters throughout the City. It was further explained that the City will be broken up into quadrants and an employee will go out to that quadrant and be able to read all the meters in that area at one time.

Councilor Aragon asked where this money is coming from. Jay stated that the project will pay for itself in a short amount of time. He answered that customers will now be getting charged correctly. Councilor Darleen Aragon replied, "We will charge for drops instead of gallons."

Councilor Carter asked if this new system can catch illegal tap-ins. Jay was not certain, but he will look into that. Roseann replied, by replacing all the meters and using this new system, they will find a lot of meters that aren't on the City's system. She stressed, "It will help in our water loss". Councilor Carter stated that we will be paying back the loan through the water fund. He asked what the payback rate is. Roseann answered, if this goes through, the first payment won't be until next fiscal year, for 20 years and anywhere from \$65,700. Councilor Carter asked what percent of water loss is residential and what percent is commercial. Roseann believes that the commercial accounts use more water. Councilor Carter suggested starting with the commercial accounts first and then residential

Jay reported that the City has an estimated unaccounted water loss of 25%, and the new radio water system is expected to reduce that loss by 10 to 15 percent, based on data.

Mayor Jerah Cordova asked for a motion. Councilor Wayne Gallegos moved to approve the authorization resolution for the Drinking Water State Revolving Fund. Mayor Jerah Cordova asked for a second. Councilor Frank Ortega seconds the motion. Roll call vote:

Councilor Frank Ortega	Yes	
Councilor David Carter	Yes	
Councilor Wayne Gallegos	Yes	
Councilor Darleen Aragon	Yes	Motioned Carried

**APPROVAL OR DISAPPROVAL OF THE FOURTH QUARTER FINANCIAL REPORT: Roseann Peralta, Finance Director Gallegos, carter**

Roseann went over her Fourth Quarter Report; a copy of which is attached hereto and made an integral part of these minutes by reference. She pointed out that all of the City's funds ended with a positive balance. She added that general fund did quite well because of the extra GRTs that the City received in December. Councilor Carter asked if the tank has been paid yet. Roseann answered yes. Councilor Aragon asked about the attorney fees. Roseann answered, "We were up to about \$83,000 in administration through general fund". She added that the police attorney went down and administration attorney went up, so it evened out. Councilor Gallegos advised the Council that there are detailed invoices of the legal charges. Jay explained that the fees were running high as the mid part of the year. He further explained, "We had the hospital, the GO bond, Rancho Cielo and lots of major projects. He mentioned that we now have a contract in place that started in April or May 1<sup>st</sup> where it will be capped off for the year, except for major projects. Councilor Aragon mentioned that for that price, we could probably hire an attorney to work here. Roseann summed up the Financial Report, revenues were at 14.6 and expenditures were at 13.5, which left with us with 11 million cash.

Mayor Jerah Cordova asked for a motion. Councilor Wayne Gallegos moved to approve the Fourth Quarter Financial Report. Mayor Jerah Cordova asked for a second. Councilor David Carter seconds the motion. Roll call vote:

Councilor Frank Ortega	Yes	
Councilor David Carter	Yes	
Councilor Wayne Gallegos	Yes	
Councilor Darleen Aragon	Yes	Motioned Carried

**APPROVAL OR DISAPPROVAL OF THE 2015/2016 FISCAL YEAR FINAL BUDGET: Roseann Peralta, Finance Director**

Roseann reported that the preliminary budget was approved by DFA. She stated that there were some items added to the final budget. She added 35,000 for the MainStreet MOU, an extra position for a part time Risk Manager, 60,000 for the lighting on Aragon Bridge, 33,000 for a CO-OP match. Roseann stated, "As you can

see with the remainder that we had, it's not that huge of a hit". Councilor Carter asked how much was the total. Roseann answered around 130,000. She reported that she added the 110 from the capital outlay the City received for the airport, 425,000 capital outlay for the park fund and 189,000 for the Senior Center Project. She reported that the City is now up to 99 positions; they added 5 ½. She took 65,000 out of the GRTs because of the EMS GRTs. She explained that she received a letter from the County that they were no longer going to disburse it. She added that some extra expenses went into general fund 140,000 for the public safety vehicle computers, new MS program for all the computers, automatic door for the community center, dump truck and two new police cars.

Mayor Jerah Cordova asked for a motion. Councilor Wayne Gallegos moved to approve the 2015/2016 Fiscal Year Final Budget. Mayor Jerah Cordova asked for a second. Councilor David Carter seconds the motion. Roll call vote:

Councilor Frank Ortega	Yes	
Councilor David Carter	Yes	
Councilor Wayne Gallegos	Yes	
Councilor Darleen Aragon	Yes	Motioned Carried

### **DISCUSSION**

#### **REVISED ALCOHOL ORDINANCE AMENDMENTS AND APPLICATION: Steve Tomita, P & Z Director**

After working with the City Attorney, Steve reported that the easiest way to address serving alcohol on sidewalks in front of a business would be to exempt Becker Avenue, from First to Main Street and a small strip on Dalies, from the ordinance. The ordinance would require anybody wanting to serve alcohol on the sidewalk come to P & Z for a conditional use permit. The permit would be for one year at a time. The vendor would have to submit a full plan on what they are going to do and submit their licensing and insurance.

Councilor Gallegos stressed, "I thought our focus was on the whole City". Steve replied there is no other place where they cannot put something on their own property, but on Becker and Dalies. Businesses are already up against the sidewalk there. Councilor Gallegos stated, "So we are modifying it to make it fit for other people already?" Mayor Cordova interceded that the modification is taking into consideration the structures that are existing in a particular area. Becker and Dalies do not have space outdoors within their private property; therefore, they would have to use the sidewalk. Councilor Ortega asked what if Harla Mays wanted to do that. Steve answered they could, but they have to show they have the room to do it. Steve stated that right now, they can't because there sidewalk isn't wide enough. Councilor Gallegos stated, "so when the City built, because we built that sidewalk for that business, then we are trying to make this rule for them right". Mayor Cordova asked for suggestions on how to proceed. Councilor Ortega suggested a workshop. Mayor Cordova advised Steve that he would like to see, in the workshop, what happens if there are plan or site modifications. Councilor Ortega asked how this would affect City buildings. Mayor Cordova replied that it wouldn't; there is no use of alcohol on city property.

### **INFORMATIONAL ITEMS**

#### **CITY MANAGER'S REPORT**

Jay Ruybalid reported that a majority of the projects have been completed. A Workshop has been scheduled for July 31, 2015 to discuss the sales of properties. A ribbon cutting for the Water Tank will be held on August 6<sup>th</sup> at 9:00. The Groundbreaking for the airport runway will be on July 27, 2015 at 9:00. The lights on the Aragon Bridge should be completed by the end of July or early August. Councilor Ortega asked Jay to make sure and maintain Carter Park. Mayor Cordova suggested having Dale add it to his rotation.

### **COMMUNICATION FROM CITY COUNCIL**

**Councilor Frank Ortega:** He met with Steve regarding a CDBG. During a meeting, he talked with constituents from La Luz and San Lorenzo that had concerns with their roads. Another concern was Wisconsin,

from the stop light to Aragon, because of the lift stations and the extra traffic that goes to the rail station. Steve Ethridge had a concern on Didier. He mentioned that Lisa Miller, or the City Manger, is going to put a listing together of the roads we have for the CDBG grant. He attended the DOT Meeting; Los Lunas has a big project they are looking at. He attended the Bargain Square Ribbon Cutting. He announced that the Harvey House is doing a Descansos Presentation on August 8<sup>th</sup> at 2:00 P.M. He served at the OLB Fiesta Queen Breakfast; they rose over a \$1,000. There was training that took place with Molzen & Corbin. He reminded everyone of the Airport Groundbreaking on the 27<sup>th</sup>.

**Councilor David Carter:** He participated in the Follow the Star Meeting. He exclaimed that there are so many happy constituents on Orchard Rd. He asked Jay to send a Water Tank invitation to the Schools.

**Councilor Wayne Gallegos:** On the 7<sup>th</sup>, he had a meeting regarding appropriations for Vivian Field. He pointed out that the City is the fiscal agent for Belen Little League. They discussed doing the Vivian Field Project by phasing it out by priorities. On the 14<sup>th</sup> he met with Steve to talk about a CDBG and select roads. He met on the 15<sup>th</sup> again in reference to Vivian Field. The City received a letter from the County to let us know they were stopping the EMS tax payment of 65,000 a year. He attended the grand opening at Adelante Bargain Square; which was a great success. He helped with the Fiesta Queen Breakfast. He added that the Fiestas have a big impact on our community.

**Councilor Darleen Aragon:** On July 12<sup>th</sup>, she attended *Art for Pet's Sake*; they raised \$800.00. On the 17<sup>th</sup>, she also attended the ribbon cutting; she exclaimed that there were about 200 people waiting to get inside the doors. She mentioned that she picks up trash throughout the City, and she has noticed others are now picking up trash.

**Mayor Jerah Cordova:** He informed everyone that the Vivian II Event is coming up; they plan on breaking a world record for the longest tamale. He is looking for volunteers to create a team. Councilor Gallegos, Councilor Carter, and Councilor Ortega volunteered. He thanked Councilor Gallegos for stepping up and helping out while he was away. He also thanked Councilor Ortega and Councilor Gallegos for showing up for the DA's Office issue at the County Commission Meeting.

## **EXECUTIVE SESSION**

### **AN EXECUTIVE SESSION TO DISCUSS PENDING AND THREATENED LITIGATION REGARDING THE PROPOSED HOSPITAL AND HEART OF BELEN, AS ALLOWED PER THE OPEN MEETINGS ACT (10-15-1 H7)**

Mayor Jerah Cordova asked for a motion to go into executive session. Councilor Frank Ortega so moved. Councilor Darleen Aragon seconds the motion. Roll Call Vote:

Councilor Frank Ortega	Yes	
Councilor David Carter	Yes	
Councilor Darleen Aragon	Yes	
Councilor Jerah Cordova	Yes	Motion Carried

Mayor Jerah Cordova asked for a motion to return to an open meeting from a closed meeting. Councilor Frank Ortega so moved. Mayor Cordova asked for a second. Councilor David Carter seconds the motion. Roll Call Vote:

Councilor Frank Ortega	Yes	
Councilor David Carter	Yes	
Councilor Darleen Aragon	Yes	
Councilor Jerah Cordova	Yes	Motion Carried

Mayor Jerah Cordova asked for a motion that discussion was limited to pending and threatened litigation and no action was taken. Councilor David Carter so moved. Councilor Frank Ortega seconds the motion. Roll Call Vote:

Councilor Frank Ortega	Yes	
Councilor David Carter	Yes	
Councilor Darleen Aragon	Yes	
Councilor Jerah Cordova	Yes	Motion Carried

**ADJOURNMENT:**

Mayor Jerah Cordova asked for a motion to adjourn tonight's Regular City Council Meeting. Councilor David Carter motioned to adjourn. Councilor Darleen Aragon seconds the motion. Roll Call Vote:

Councilor Frank Ortega	Yes	
Councilor David Carter	Yes	
Councilor Darleen Aragon	Yes	
Councilor Jerah Cordova	Yes	Motion Carried

/ss \_\_\_\_\_  
Jerah Cordova, Mayor

/ss \_\_\_\_\_  
Leona Vigil, City Clerk, CMC