Work Session of the City Council, City of Farmington, New Mexico, held Tuesday, February 5, 2013 at 9:00 a.m. in the Executive Conference Room at City Hall, 800 Municipal Drive, Farmington, New Mexico, in full conformity with the rules, regulations and ordinances of the municipality.

At such meeting the following were present, constituting a quorum:

MAYOR Tommy Roberts

COUNCILORS Dan Darnell

Mary M. Fischer Gayla McCulloch Jason Sandel

Constituting all the members of the Governing Body.

Also present were:

CITY MANAGER Rob Mayes

ASSISTANT CITY MANAGER Bob Campbell

CITY ATTORNEY Jay B. Burnham

DEPUTY CITY CLERK Melody Coyner

EMPLOYEE OF THE MONTH PROGRAM AWARDS

Employee Council President Shannon Ben recognized Associate Planner Fran Fillerup as the Employee of the Month award recipient for January 2013. Mr. Fillerup was presented with a plaque and a gift certificate and the Mayor and Council expressed their appreciation for his dedication to the City.

CLERGY APPRECIATION WEEK PROCLAMATION

The Mayor presented Dave Beavers of the Civitan Club with a Proclamation declaring February 3 thru 9, 2013 as "Clergy Appreciation Week".

BID/OFF-SITE SEWER AND LIFT STATION IMPROVEMENTS ALONG PIÑON HILLS BOULEVARD

Purchasing Supervisor Kristi Benson reported that bids for off-site sewer and lift station improvements along Piñon Hills Boulevard opened on January 30, 2013 with eight bidders participating. She recommended that the bid be awarded to SunWestern Contractors, Inc. on its low bid meeting specifications of \$1,046,651.84.

Thereupon, a motion was made by Councilor Darnell, seconded by Councilor McCulloch to award the bid for off-site sewer and lift station improvements along Piñon Hills Boulevard to SunWestern Contractors, Inc. on its low bid meeting specifications of \$1,046,651.84, as recommended by the Purchasing Supervisor. The roll was called with the following result:

Those voting aye: Dan Darnell Mary M. Fischer

Gayla McCulloch

Those voting nay: Jason Sandel

The presiding officer thereupon declared that three Councilors having voted in favor thereof, the said motion carried.

DECEMBER 31, 2012 FINANCIAL REPORT

Utilizing a PowerPoint presentation to display financial data that he provided to the Council, Administrative Services Director Andy Mason reviewed the December 31, 2012 Financial Report. He noted that gross receipts tax ("GRT") revenues for all funds for the second quarter were 3.6 percent below those received for the same period last year. He also reported that all revenues in the General Fund were 2.4 percent under budget and that expenditures were 3.2 percent under budget; revenues in

the Electric Fund exceeded expenditures by \$5.6 million; revenues in the Water Fund exceeded expenditures by \$2.89 million; revenues in the Wastewater Fund exceeded expenditures by \$1.38 million; expenditures in the Golf Enterprise Fund exceeded revenues by \$88,000; and that the \$112,000 loan to the Golf Enterprise Fund is outstanding. In addition, Mr. Mason reported that revenues in the Health Insurance Fund exceed expenditures by \$1.1 million.

Following discussion regarding GRT revenues, it was the consensus of the Council to direct staff to provide a list of the top ten oil and gas sector GRT contributors, the top ten construction projects last year and the anticipated construction projects for next year.

Staff responded to questions from the Council regarding anticipated revenues, the electric utility dividend, how expenditures are being kept under budget and the emergency/contingency funds built into the budget. Councilor Sandel expressed a desire to know where and how contingencies were built into the budget. In response, Mr. Mayes stated that there is an "Unanticipated Emergency" budget line item (approximately \$674,000) and contingencies in other line items, e.g., professional/technical services, personnel and fuel costs.

Following further discussion, Councilor Sandel expressed concern for the decrease in GRT revenue and questioned staff's ability to manage the budget in the future. He also expressed a desire for better communication between staff and the Council regarding management of the budget.

Following brief discussion regarding water line repair and replacement, Councilor Fischer contended that it would be helpful to have a line replacement timeline.

In response to inquiries from Councilor Fischer regarding slip lining, Public Works Director Jeff Smaka stated that only some water lines have been slip lined; that a large majority of the sewer lines were slip lined in the 1970's and 1980's; and that the cost difference between replacement and slip lining is "pretty much a wash."

Responding to Mayor Roberts, Mr. Mayes stated that staff is not optimistic that the deficit in the Golf Enterprise Fund will be erased by the end of Fiscal Year 2013.

COUNCIL BUSINESS

Regional Animal Shelter

Councilor Sandel asked for clarification/confirmation of information he received that a staff member advised the Animal Services Advisory Commission that the City has a fixed amount of money to spend on constructing the Regional Animal Shelter, regardless of the actual cost, resulting in the City not purchasing the recommended HVAC system. Following discussion, City Manager Rob Mayes stated that he will investigate the concerns raised about the HVAC system and the cost savings in moving the facility from Andrea Drive to City-owned property located near the Municipal Operations Center ("MOC").

San Juan Water Commission

Noting that the San Juan Water Commission ("SJWC") will be considering a resolution authorizing the Executive Director to execute a settlement agreement with the New Mexico State Engineer regarding Application No. 4818 and related litigation at its meeting on January 6, 2013, Councilor Fischer expressed a desire for documentation as to what is being proposed prior to a vote being taken. Mayor Roberts stated that after the matter was brought to his attention, his direction to City Attorney Jay Burnham was that Cy Cooper, the City's SJWC representative, should be notified that no vote on this matter should be taken before a presentation is made to the Council about the proposed settlement.

Councilor Fischer expressed concern that there are hardly any elected officials on the SJWC resulting in little or no accountability to constituents and asked for a list of SJWC members. Mr. Burnham agreed to provide a list of SJWC members to the Council.

APPOINTMENT TO THE ANIMAL SERVICES ADVISORY COMMISSION

After providing the Council with background and professional information on Leslie Jedrey, Mayor Roberts asked the Council's consideration of her appointment to the Animal Services Advisory Commission (term to August 2014).

Thereupon, a motion was made by Councilor Fischer, seconded by Councilor McCulloch to confirm the appointment of Leslie Jedrey to the Animal Services Advisory Commission, as recommended by the Mayor, and upon voice vote the motion carried unanimously.

Time Limits for Special Use Permits

Reminding the Council that at the January 22, 2013 regular City Council meeting, City Attorney Jay Burnham was directed to write a memo explaining his opinion that Section 8.9.6A of the Unified Development Code ("UDC") would prohibit the Council from granting a Special Use Permit ("SUP") that expired in six months, Mayor Roberts reported that Mr. Burnham's analysis is that this section of the UDC only applies to the period of time an owner has to begin the allowed use and does not prohibit the Council from imposing a different time limit on the SUP itself.

Councilor Sandel expressed his appreciation to Mr. Burnham for his prompt response.

CLOSED MEETING

A motion was made by Councilor McCulloch, seconded by Councilor Darnell to close the meeting to discuss request for qualification-based proposals for professional engineering services for Lakewood Detention Facility and the acquisition of real property (Deer Hollow Subdivision/Rail Road). The roll was called with the following result:

Those voting aye:

Dan Darnell

Mary M. Fischer

Gayla McCulloch

Gayla McCulloch Jason Sandel

Those voting nay: None

The presiding officer thereupon declared that four Councilors having voted in favor thereof, the said motion carried.

The Mayor convened the closed meeting at 10:39 a.m. with all members of the Council being present.

Councilor Sandel briefly left the meeting.

Following the closed meeting, during which meeting the matters discussed were limited only to those specified in the motion for closure, a motion was made by Councilor Darnell, seconded by Councilor McCulloch to open the meeting for further business. The roll was called with the following result:

Those voting aye: Dan Darnell

Mary M. Fischer Gayla McCulloch

Those voting nay: None

Those absent: Jason Sandel

The presiding officer thereupon declared that three Councilors having voted in favor thereof, the said motion carried.

The open meeting was reconvened by the Mayor at 10:43 a.m. with Councilors Darnell, Fischer and McCulloch being present.

Councilor Sandel returned to the meeting.

REQUEST FOR QUALIFICATION-BASED PROPOSALS FOR PROFESSIONAL ENGINEERING SERVICES FOR LAKEWOOD DETENTION FACILITY

Purchasing Supervisor Kristi Benson announced that qualification-based proposals for professional engineering services for Lakewood Detention Facility (Public Works) opened on October 16, 2012 with five offerors participating. She recommended that the contract be awarded to Bohannan Huston as the top evaluated firm based on the pricing schedule for services.

Thereupon, a motion was made by Councilor Darnell, seconded by Councilor McCulloch to award the proposal for professional engineering services for Lakewood Detention Facility to Bohannan Huston, as recommended by the Purchasing Supervisor, and upon voice vote the motion carried unanimously.

CLOSED MEETING

A motion was made by Councilor McCulloch, seconded by Councilor Darnell to close the meeting to receive advice from the City's legal counsel regarding a matter of pending litigation (Perez v. City of Farmington). The roll was called with the following result:

Those voting aye:

Dan Darnell

Mary M. Fischer

Gayla McCulloch

Gayla McCulloch Jason Sandel

Those voting nay: None

The presiding officer thereupon declared that four Councilors having voted in favor thereof, the said motion carried.

The Mayor convened the closed meeting at 10:45 a.m. with all members of the Council being present.

Councilor Darnell left the meeting at 11:52 a.m.

Following the closed meeting, during which meeting the matter discussed was limited only to that specified in the motion for closure, a motion was made by Councilor McCulloch, seconded by Councilor Sandel to open the meeting. The roll was called with the following result:

Those voting aye: Mary M. Fischer Gayla McCulloch

Gayla McCulloch Jason Sandel

Those voting nay: None

Those absent: Dan Darnell

The presiding officer thereupon declared that three Councilors having voted in favor thereof, the said motion carried.

The open meeting was reconvened by the Mayor at 12:20 p.m. with Councilors Fischer, McCulloch and Sandel being present.

There being no further business to come before the Council, the meeting was adjourned at $12:21~\mathrm{p.m.}$

APPROVED this 26th day of February, 2013.

	Tommy Roberts, Mayor	
SEAL		
ATTEST:		
Dianne Fuhrman, City Clerk		