

Work Session of the City Council, City of Farmington, New Mexico, held Tuesday, February 21, 2023 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	Nate Duckett
COUNCILORS	Linda G. Rodgers Jeanine Bingham-Kelly Janis Jakino
PRESENT BY ELECTRONIC MEANS (ZOOM) PURSUANT TO RESOLUTION NO. 2013-1483	Sean E. Sharer

constituting all the members of the Governing Body.

Also present were:

CITY MANAGER	Rob Mayes
DEPUTY CITY MANAGER	Julie Baird
CITY ATTORNEY	Jennifer Breakell
CITY CLERK	Andrea Jones
DEPUTY CITY CLERK	Anita Vigil

EMPLOYEE OF THE MONTH PROGRAM AWARD

Employee Council President Joanna Oliver recognized Information Technology Senior Help Desk Analyst Calvin Begay as the Employee of the Month award recipient for January 2023. Mr. Begay was presented with a plaque and gift certificate and the Mayor and Council expressed their appreciation for his dedication to the City.

DEVELOPMENT PLAN AND SCOPE OF WORK FOR THE ANIMAS AREA AND HEALTHCARE HUB DISTRICTS

Economic Development Director Warren Unsicker reported the consulting team for the proposed Animas Area and Healthcare Hub recently completed a field assessment and have prepared a presentation regarding the development plan for the Metropolitan Redevelopment Area ("MRA").

Providing preliminary team introductions, Danielle Wilson with Sites Southwest provided a synopsis of the City's Animas Area and Healthcare Hub project goals as identified in the 2021 Comprehensive Plan and she reviewed stakeholder engagements to-date, planned surveys and public "workshops" scheduled for March, 2023, and she stated a draft and finalized action plan should be available by August, 2023. Providing a zoning map of the MRA district, she pointed out recommended changes include rezoning or permitting more uses within the Mixed Use and Industrial districts, establish a "Neighborhood Industrial" zone and implement performance-based zoning in the Animas Area. Other strategies for the Animas Area involve revision to the zoning codes to reflect that community's vision, develop and improve parks, trails and access to the Animas River on the south edge of the MRA district, connect the proposed Totah Park to the Downtown, provide continuing support to the Outdoor Recreation Industry Initiative ("ORII") and create a community food hub to promote local food production. Strategies for the Healthcare Hub include collaboration with the hospital, redevelopment of the block north of the hospital (Animas Street to Broadway Avenue) for medical uses, provide support to the rehabilitation of older deteriorated housing and encourage the development of additional multifamily and senior housing in the western edge of the Healthcare Hub. Michael Huston with Sites Southwest continued the presentation with an analysis of the current physical conditions of the Animas Area and Healthcare Hub, noting no observable "hard boundaries" between the zones and a substantial private realm that may impact public use. He provided a "walkability" map with estimated walk and bike ride times between the zones and a map depicting current pedestrian sidewalk amenities, noting several improvements are

necessary for the walkability and desired aesthetic of the MRA district. Jayshrea Narayana with Civic Plan Studio reviewed the current zoning barriers and suggested several flexible zoning standards to incrementally encourage redevelopment. Travis James with TXP presented an in-depth market feasibility analysis based on the area's population and employment statistics and he pointed out economic development opportunities and challenges within the MRA. Ms. Wilson concluded the presentation with emphasis on the upcoming community survey and the public workshop kick-off and presentation meetings scheduled for March 21 and 23, 2023.

Councilor Rodgers thanked the consulting team for the "eye-opening" information regarding zoning challenges and the real, current need for sidewalks and pedestrian upgrades within the district.

Responding to comments from Councilor Jakino, Ms. Wilson explained that MRA Commission Chair Jill Tanis and Commissioner Beth McNally provided the consulting team with a comprehensive list of private land owners and business owners in the proposed Animas Area and Healthcare Hub districts and are encouraging engagement and representation at the upcoming public workshop and meetings.

Mayor Duckett recognized Chair Tanis who was present in the audience. Ms. Tanis acknowledged the zoning challenges for the project and she conveyed stakeholders' enthusiasm from the engagements to-date for the revitalized interest and "new shift" in vision for this district.

Following discussion, the Mayor thanked Ms. Wilson and the consulting team for their presentation and encouraged everyone to attend the public workshop kick-off and presentation meetings scheduled for March 21 and 23, 2023.

DISCUSSION/FEEES AND PROPOSED DISCOUNTS FOR VARIOUS PARKS, FIELDS AND FACILITIES

Parks, Recreation and Cultural Affairs ("PRCA") Interim Director Natalie Spruell announced that the Council had approved proposed changes to various parks, fields and facilities fees at the December 20, 2022 Work Session with the direction to provide the full comprehensive listing of fees and to further determine if and/or where senior and military discounts should be implemented. Noting that the full comprehensive fees report is contained within the distributed PowerPoint presentation, Ms. Spruell provided staff's recommendations to impose a new discount policy for seniors ages 62 and older and active-duty military personnel for a 10 percent discount on Pass fees and a 10 percent discount, rounded down to the nearest dollar, on Admission fees. She progressed through the PowerPoint presentation, pausing to highlight the new discount policy's effect on fees for the Civic Center, Aquatic Center, Recreation Center and the golf courses.

Following consideration, it was the consensus of the Council to direct staff to bring back discussion to determine if emergency first responder personnel should be included in the policy for discounts.

Thereupon, a motion was made by Councilor Rodgers, seconded by Councilor Jakino to approve the presented discount policy to be effective immediately, as recommended by staff and the PRCA Commission, and upon voice vote the motion carried unanimously.

RECOMMENDATION FROM THE PARKS, RECREATION AND CULTURAL AFFAIRS COMMISSION/NAMING OF THE ALL-ABILITIES PARK LOCATED AT 312 EAST APACHE STREET

Parks, Recreation and Cultural Affairs ("PRCA") Interim Director Natalie Spruell announced that the PRCA Commission's naming subcommittee, headed by PRCA Chair Deb Cutler who was in attendance in the audience, had diligently sifted through 285 survey responses and are presenting the top four recommendations for the all-abilities park located at 312 East Apache Street as Boundless Adventures All Abilities Park, Nizhoni All Abilities Park, Power Up All Abilities Park and Totah All Abilities Park.

Following discussion, a motion was made by Councilor Rodgers, seconded by Councilor Jakino to approve the name "Boundless Adventures Park" for the all-abilities park located at 312 East Apache Street, and upon voice vote the motion carried unanimously. Mayor Duckett expressed his gratitude to Ms. Cutler and to the PRCA naming subcommittee for their enthusiasm and diligent efforts on this project.

RECESS

Mayor Duckett called a recess at 10:36 a.m.

Mayor Duckett reconvened the meeting at 10:46 a.m. with all Councilors being present.

FINANCIAL REPORT FOR THE SIX MONTHS ENDING DECEMBER 31, 2022

Utilizing a PowerPoint presentation, Administrative Services Director Teresa Emrich provided the City's financial report for the six months ending December 31, 2022. She reported Farmington's unemployment rate has lowered to 4.1 percent (favorable), noting that is still higher than the national and State averages (unfavorable). Continuing with economic trends, Ms. Emrich explained that business indicators for the housing market show a 20.1 percent decrease in residential units sold (unfavorable) but a 40.9 percent increase in the average price sold (favorable). She noted an overall 77.9 percent increase in commercial and residential building permits (favorable), a 3.3 percent decrease in Convention Center fees (unfavorable), an 11.7 percent increase in Lodgers Tax revenue (favorable) and reported a 23.6 percent decrease in City business registrations renewed thus far in the 2023 license year to-date. Ms. Emrich announced that the FY2023 gross receipts tax ("GRT") revenue budget was set at \$34.3 million and that that actual GRT revenues were \$37.9 million (a 3.6 percent favorable difference), and she provided historical GRT revenues and graphs of GRT revenues by industry sectors. She reported that revenues in the General Fund on December 31, 2022 were 6.9 percent above budget (favorable) with expenditures being 9.4 percent below budget (favorable) and she briefly reviewed a seven-year history of the General Fund cash balance. Ms. Emrich stated that the recent increase in San Juan County's property mills have resulted in an increase in the City's property tax collected and she pointed out the Actual FY23 taxes collected at the six month mark have already surpassed the budgeted yearly projections by 67.6 percent (favorable). She reviewed auto license, gasoline, liquor and cannabis excise taxes imposed by the State and she reviewed how disbursement amounts are calculated and paid to the municipalities. Using several 10-year comparison charts, Ms. Emrich reported a 10.7 percent increase (favorable) in collected franchise fees and royalties, a 16 percent increase (favorable) in collected permits and liquor/occupational licenses, a 21.9 percent increase in intergovernmental grants (favorable) and she quickly summarized the intergovernmental revenue transfers for each specialized fund. She provided a chart depicting departmental charges for services portraying an overall 44.7 percent decrease from the budgeted forecast (unfavorable) and, referring to a more in-depth chart for the Parks, Recreation and Cultural Affairs facilities, she noted much of the "lost" revenue can be attributed to the extended closure and remodeling of Piñon Hills Golf Course (93.8 percent unfavorable decrease from the budget). Ms. Emrich explained that governmental GRT fund expenditures came in under budget by 5.7 percent (favorable) and she broke down the 101, 201, 202 and 203 Fund expenditures by personnel, operating, capital and transfer costs. She announced that the number of Farmington Electric Utility System's ("FEUS") customers increased by 38 accounts (favorable), no change in the number of meters (neutral) and total kilowatt-hours increased by 4.6 percent (unfavorable). Reviewing FEUS's monthly cash balances for the 2022 calendar year, Ms. Emrich pointed out progressively diminishing balances coming in below the reserve amount by \$6.7 million (unfavorable). She explained a "deferred PCA" (power cost adjustment) line item was included on the utility's revenues slide and although this appears to boost the "Actual" revenue up by 20.4 percent she clarified this is revenue not yet received, and she reported a 10.5 percent increase in electric utility expenses (unfavorable). Regarding water utility, Ms. Emrich stated that customers and meters both increased by 0.2 percent (favorable), total gallons decreased by 2.8 percent (favorable), FY2023 revenue increased by 2.6 percent (favorable) and expenditures decreased by 4.2 percent (favorable). She reported that wastewater utility customers decreased by 0.1 percent (unfavorable), consumption decreased by 2.6 percent (favorable), FY2023 revenue increased by 7.6 percent (favorable) and expenditures increased by 28.5 percent (unfavorable). Concluding the presentation, Ms. Emrich noted that sanitation utility customers decreased by 0.2 percent (unfavorable), FY2023 revenue increased by 5.3 percent (unfavorable) and expenditures increased by 3.2 percent (unfavorable).

At the Mayor's request, Ms. Emrich recognized Financial Data Specialists Dwight Arthur and Cory LeClaire for their efforts in compiling and organizing the data in this financial report and both the Mayor and Councilor Rodgers expressed appreciation of the report's presentation, readability and format.

Mayor Duckett reminded everyone that financial reports are available on the City's website and in the popular "calendar format" for pick up at City Hall at 800 Municipal Drive and at Farmington Electric Utility at 101 North Browning Parkway.

APPOINTMENTS TO THE AIRPORT ADVISORY COMMISSION

Mayor Duckett asked the Council's consideration of the appointment of Morey Havens (term to December 2024) and Bill Foutz (term to December 2025) as members of the Airport Advisory Commission.

Thereupon, a motion was made by Councilor Rodgers, seconded by Councilor Jakino to confirm the appointment of Morey Havens and Bill Foutz as members of the Airport Advisory Commission, as recommended by the Mayor, and upon voice vote the motion carried unanimously.

APPOINTMENTS TO THE PUBLIC UTILITY COMMISSION

Mayor Duckett asked the Council's consideration of the appointment of Patricio Sanchez (moving from Alternate) as a member of the Public Utility Commission (term to October 2023).

Thereupon, a motion was made by Councilor Rodgers, seconded by Councilor Jakino to confirm the appointment of Patricio Sanchez as a member of the Public Utility Commission, as recommended by the Mayor, and upon voice vote the motion carried unanimously.

COUNCIL BUSINESS

Street Maintenance

Mayor Duckett thanked Community Works Director David Sypher and the Streets Division for the reparation of numerous potholes that had developed during the winter conditions of the past few months.

Councilor Rodgers echoed commendation to the Streets Division for clearing snow and ice from the roads during inclement weather.

Police Visibility and Traffic Enforcement

Mayor Duckett expressed his appreciation to the Police Department for increased presence and noted "visibility" is key in how the department effectively serves the community.

Councilor Rodgers relayed constituents concerns regarding red light infractions along 20th Street at the intersections of Main Street and Sullivan Avenue and requested enforcement efforts in these areas.

The Mayor's Table

Mayor Duckett thanked Utility Director Hank Adair and Community Works Director David Sypher for providing insight on department activities in the most recent episodes of The Mayor's Table, and he encouraged sharing these episodes available on YouTube and Spotify.

Vacancies on Boards and Commissions

Mayor Duckett asked the Council's assistance in identifying and enlisting community leaders to fill vacancies on the Administrative Review Board and the Metropolitan Redevelopment Agency, Community Relations, Planning and Zoning, Public Utility, and Parks, Recreation and Cultural Affairs commissions.

CITY MANAGER BUSINESS

Piñon Hills Golf Course

At Mr. Mayes' request, Assistant City Manager Shaña Reeves provided a brief update on the renovations at Piñon Hills Golf Course, pointing out that the course is open and operational and many of the smaller,

remaining improvements include new parking, the placement of signage and gates, the facility's ceiling repairs and she happily added that the driving range and the restaurant should be reopening soon. Ms. Reeves revealed that a grand re-opening event is tentatively planned for the last week in April and they will send "save the date" announcements in the upcoming month.

There being no further business to come before the Council, a motion was made by Councilor Rodgers, seconded by Councilor Jakino to adjourn the meeting at 11:39 a.m., and upon voice vote the motion carried unanimously.

The City Clerk certified that notice of the foregoing meeting was given by posting pursuant to Resolution No. 2013-1466, et seq.

APPROVED this 28th day of March, 2023.



Nate Duckett, Mayor

SEAL

ATTEST:



Andrea Jones, City Clerk