

**CITY OF FARMINGTON
CITY COUNCIL WORK SESSION AGENDA
June 7, 2011 – 9:00 a.m.**

DEPARTMENT HEAD REPORTS

1. Proposal from Waste Management to assume the responsibility of constructing the recycling facility and consideration of Second Addendum to Refuse Collection Contract (Jeff Smaka)

Action Requested of Council:

Approve the Proposal and Second Addendum to Refuse Collection Contract.

Background/Rationale:

The first Addendum to the Refuse Collection Contract was entered between the City and Waste Management in 2008 in order to institute curbside recycling service. The Addendum provided that the City would construct a new recycling facility within 26 months of the date of the Addendum. The City has not yet started construction. Since 2008, a portion of the additional fee imposed on residential customers to pay for the curbside recycling service has been set aside as a revenue source to finance the cost of the facility. Waste Management has come forward with a proposal that instead of the City constructing a recycling center in Farmington, that Waste Management construct a recycling facility at the San Juan County Landfill. In return, the City would transfer the funds accumulated to date, and the portion of the fees set aside for that purpose in the future, to Waste Management to reimburse them for their costs in constructing the facility. Because the facility would no longer be located in Farmington, the proposal includes a requirement that Waste Management operate a drop off center at its Farmington property. To effectuate this proposal in the event the Council approves it, a Second Addendum to our contract with Waste Management has been prepared and is attached as backup material to this agenda.

Staff Recommendation:

Approve the Proposal and Second Addendum.

Instructions Upon Approval:

Execute Second Addendum.

Budget Impact:

No immediate impact. The fee to construct the facility is currently being charged and will be a pass-through to Waste Management. There is a potential for significant long-term savings to the City. **[Tabled at the May 17, 2011 Work Session]**

2. Presentation on the development of the Northern Edge Navajo Casino being constructed on the Navajo Nation in Upper Fruitland (Robert Winter, Chief Executive Officer; Derrick Watchman, Chief Financial Officer; Raymond Etcitty, General Counsel and Mary West, Project Manager)
3. Adoption of Resolution No. 2011-1397 removing uncollectible and unsecured utility accounts from the City's list of accounts receivable (calendar year 2006) (Lara Ratliff)

Action Requested of Council:

Pursuant to our policy and in compliance with State Statutes, the Council is requested to approve the write-off of any inactive account, aged over four years, with a balance of more than one cent from January 1, 2006 through December 31, 2006.

Staff recommends adoption of Resolution No. 2011-1397 removing the uncollectible and unsecured utility accounts from the City's accounts receivable in the approximate amount of \$93,426.34.

Background/Rationale:

Each year a list of all utility accounts over four years old with a balance due is reviewed and processed for write-off. During that review, any bankrupt accounts for which payments are being received or are expected to be received, are not written off.

Staff Recommendation:

Write-off uncollectible and unsecured utility accounts by resolution.

Instructions Upon Approval:

Proceed with aged inactive utility account write-offs for the period of January 1, 2006 through December 31, 2006.

Budgetary Impact:

Positive. The original estimate of 2006-aged inactive utility accounts totaled \$110,856.31. At the time of this report, City staff has collected \$17,159.97.

4. Bid for multi-term contract for concrete (Kristi Benson)

Action Requested of Council:

Approve recommendation for award.

Background/Rationale:

Bids opened June 1, 2011 with two bidders participating.

Staff Recommendation:

Award a multi-term/multi-source contract for the purchase of concrete (Public Works) to Consolidated Constructors as the primary bidder on its low bid after application of five percent in-state preference of \$197,930 and to Four Corners Materials as the secondary bidder on its low bid after application of five percent in-state preference of \$200,085.

Instructions Upon Approval:

Issue purchase order contracts.

5. Resolution No. 2011-1398 approving certain revisions to the FY11 budget and requesting State approval (Andy Mason)

Action Requested of Council:

Adopt Resolution No. 2011-1398.

Background/Rationale:

The attached resolution, budget adjustments and recap sheet detail the various revenue enhancements in the 214 Fund since the adoption of the second revision to the FY11 budget. Approval of these adjustments is needed to cover the related expenditures.

Staff Recommendation:

Adopt Resolution No. 2011-1398.

Instructions Upon Approval:

Staff will submit the budget revision to the Department of Finance and Administration for final approval.

6. Proposed ordinance making it a violation of the City Code to sell or possess a substance listed on Schedule I of the Federal Schedules of Controlled Substances (Jay Burnham)

Action Requested of Council:

Grant permission to publish Notice of Proposed Ordinance.

Background/Rationale:

During the discussion of the ordinance prohibiting the sale or possession of K-2 or Spice, the Council discussed, at the suggestion of Councilor

Sandel, considering an ordinance prohibiting the sale or possession of any drug listed on the Federal government's list of banned controlled substances. This was because K-2 or Spice had recently been listed, even though it had not, as of that time, been included in the drugs prohibited by State law. At that time, the Council, by consensus, directed the City Attorney's office to research, draft and return to the Council with a proposed ordinance making it unlawful to possess or sell any drug listed on the Federal banned substances list. This draft ordinance is the result of that direction.

Staff Recommendation:

Grant permission to publish Notice of Proposed Ordinance.

Instructions Upon Approval:

Publish Notice of Proposed Ordinance with final action scheduled for June 28, 2011.

Budgetary Impact:

Minimal impact. Some costs may be incurred during enforcement.

COUNCIL AND OTHER BUSINESS

CLOSED MEETING

7. To discuss request for proposals for the Community Development Block Grant Downtown Façade Improvement Program.

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8. Request for proposals for the Community Development Block Grant Downtown Façade Improvement Program (Kristi Benson)

Action Requested of Council:

Approve recommendation to award grant funds.

Background/Rationale:

Proposals for the Community Development Block Grant Downtown Façade Improvement Program (Community Development) were opened on May 11, 2011 with 13 offerors participating.

Staff Recommendation:

The evaluation committee recommends that funds for the Community Development Block Grant Downtown Façade Improvement Program (Community Development) be awarded to KMD Activewear (\$6,400), Andrea Kristina's Bookstore & Kafe (\$7,000), Frontline Mission (\$22,000), My Fathers House (\$6,326.50), Tuxedo Junction (\$2,000), Browns Shoe Fit Co. (\$5,500), Advantage 2U Insurance (\$1,769), Wisner Family Investments (100 W. Main St.) (\$11,000), Wisner Family Investments (115 W. Main St.) (\$2,500), Wisner Family Investments (203 W. Main St.) (\$6,000), SMEM Properties LLC (\$11,850) and Ashkii's Navajo Grill (\$8,722.50), as the best evaluated firms. The awards are contingent upon approval by the State Historical Preservation Office and completion of an environmental assessment. **Note:** The evaluation committee has requested a meeting with Davis Enterprise to discuss their proposed project. It is the intent of the evaluation committee to make a recommendation to the Council in the near future.

Instructions Upon Approval:

Execute agreements.

CLOSED MEETING

9. To discuss a limited personnel matter (City Attorney annual evaluation).

AGENDA ITEM SUPPORT MATERIALS ARE AVAILABLE FOR INSPECTION AND/OR PURCHASE AT THE OFFICE OF THE CITY CLERK, 800 MUNICIPAL DRIVE, FARMINGTON, NEW MEXICO.

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