

Work Session of the City Council, City of Farmington, New Mexico, held Tuesday, August 16, 2011 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
CITY CLERK	Dianne Fuhrman
DEPUTY CITY CLERK	Melody Coyner

AGREEMENT/SAN JUAN SAFE COMMUNITIES INITIATIVE, INC.

Announcing that he is the Executive Director of the San Juan Safe Communities Initiative ("SJSCI"), Councilor Darnell declared a direct conflict of interest with regard to the subject agreement and disqualified himself from discussion of or voting on the item.

Mayor Roberts announced that he is a board member for SJSCI and, as a result, he also declared a direct conflict of interest with regard to the subject agreement and disqualified himself from voting on the item in the event of a tie.

At the request of Mayor Roberts, the following SJSCI board members introduced themselves to the Council: Janel Ryan, Superintendent for Farmington Municipal Schools; Mike Walls, Public Service Company of New Mexico; Kent Wilson, State Farm Insurance; Rick Tedrow, 11th Judicial District Attorney; Tony Atkinson, San Juan County Commissioner; Pamela Valencia, Optum Health; Kirk Carpenter, Superintendent for Aztec Municipal Schools; and Bill Sharer, New Mexico State Senator.

Addressing the Council, SJSCI President Dr. James Henderson provided a brief history of SJSCI, explaining that it is a partnership comprised of public and private entities for the purpose of reducing substance abuse and criminal activity in San Juan County. He briefly reviewed the vision, mission statement and strategies employed by SJSCI, the 2011 accomplishments and the 2012 Work Plan. In closing, he pointed out that SJSCI came in 15.8 percent under budget at the end of FY 2011.

In response to inquiries from Mayor Roberts, SJSCI Treasurer Kirk Carpenter stated that funding sources for the \$170,000 operational budget include grants and contributions from San Juan County and the cities of Aztec, Bloomfield and Farmington. SJSCI Executive Director Dan Darnell noted that the City of Farmington and San Juan County contribute \$40,000 each, the cities of Bloomfield and Aztec contribute \$5,000 each and the State of New Mexico contributes money for administration of prevention activities.

Mayor Roberts questioned whether services provided by SJSCI are duplicated by other service providers. In response, Mr. Carpenter stated that schools take advantage of the "Bridges Out of Poverty" program (offered locally only by SJSCI) and commended SJSCI for implementing the UmattR program; Ms. Ryan pointed out the networking opportunities offered through SJSCI; Mr. Wilson reiterated previous comments and stated that SJSCI facilitates rather than duplicates services; Mr. Walls stated that SJSCI brings organizations together to collaborate and share ideas; and City of Farmington Police Chief Kyle Westall stated that SJSCI partners

with law enforcement agencies in addressing social issues related to crime. He noted that the decrease in recreational use of methamphetamine can be attributed, in part, to programs implemented by SJSCI.

Mr. Darnell responded to questions from Councilor Sandel regarding crime statistics between the city of Farmington and south Farmington neighborhoods and explained his plans for expanding the services to the Crouch Mesa area. Following discussion, Councilor Sandel stated that he would like to see crime statistics and needs assessments conducted for areas outside of the city limits of Farmington.

In response to inquiry from Councilor Sandel, Mr. Darnell stated that SJSCI has identified parenting, peers and poverty as the root causes of problematic neighborhoods.

Following lengthy discussion, a motion was made by Councilor McCulloch, seconded by Councilor Fischer to approve the Agreement between the City and San Juan Safe Communities Initiative, Inc., as presented, noting that the agreement provides that no City funds will be used to pay the salary of the Executive Director.

Responding to Councilor Sandel, City Manager Rob Mayes confirmed that the \$40,000 contract amount is budgeted in the FY 2012 budget.

The Mayor called for the vote upon the motion to approve the Agreement between the City and San Juan Safe Communities Initiative, Inc., as presented. The roll was called with the following result:

Those voting aye:	Mary M. Fischer Gayla McCulloch Jason Sandel
Those voting nay:	None
Those disqualified from voting:	Dan Darnell

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

Mayor Roberts recognized SJSCI board members Kim Carpenter, San Juan County Executive Officer; Randy Joslin, Oasis Church; and Joe Rasor, Superintendent for Bloomfield Schools, who arrived at the meeting after introductions were made.

INTRODUCTION/QUESTION & ANSWER SESSION/NEWLY-HIRED HUMAN RESOURCES DIRECTOR LYLE WILLIAMS

City Manager Rob Mayes proudly introduced and reviewed the qualifications of newly-hired Human Resources Director Lyle Williams. Mr. Williams briefly reviewed his immediate objectives to become acquainted with department heads and staff, to fill open positions within his department and to begin assessments of the City's Health Insurance & Benefits and Workers' Compensation programs.

Councilor Fischer stated she is interested in Mr. Williams' recommendations for improving employee morale. In addition, she asked that he investigate the circumstances related to complaints being received from employees of a particular department and that he assured her that employees that bring matters to management's attention are not retaliated against. In closing, she expressed a desire to meet with him to discuss areas where she sees problems.

Councilor Darnell welcomed Mr. Williams to the City.

Councilor Sandel stated that he looks forward to Mr. Williams' recommendations on workers' compensation, safety procedures and the management of City contractors.

PROPOSED ORDINANCE DEALING WITH LIQUOR LICENSES APPROVED AND LICENSED BY THE CITY

City Attorney Jay Burnham introduced a proposed ordinance amending Section 5-2-1 of the City Code dealing with liquor licenses approved and licensed by the City. He noted that Section 5-2-1 specifically lists the types of liquor licenses that may be approved by the Council and licensed

by the City, but does not include all State classifications such as small brewer and wine grower licenses. He explained that staff is proposing that the existing ordinance be amended to include all liquor licenses issued by the State. He requested permission to proceed with publication of a Notice of Intent to Consider said ordinance.

Following brief discussion, a motion was made by Councilor Darnell, seconded by Councilor Sandel to direct the City Attorney to publish notice of intent to consider adoption of the proposed ordinance in accordance with State Statutes. The roll was called with the following result:

Those voting aye:	Dan Darnell Mary M. Fischer Gayla McCulloch Jason Sandel
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Those voting nay:	None
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The presiding officer thereupon declared that four Councilors having voted in favor thereof, the said motion carried.

UNFINISHED BUSINESS:

RESOLUTION NO. 2011-1406 COMMEMORATING CHANGES TO THE OFFICIAL MUNICIPAL ELECTION DISTRICT MAP OF THE CITY OF FARMINGTON

Reminding the Council that Resolution No. 2011-1406 was tabled at the August 9, 2011 regular City Council meeting, City Clerk Dianne Fuhrman recommended adoption of the subject resolution.

Following discussion regarding the precinct number changes that were made by the San Juan County Clerk, Mayor Roberts suggested that the County Clerk be invited to a future Work Session to explain the reasoning behind and process that resulted in the new precinct numbers. There were no objections from the Council.

After consideration of Resolution No. 2011-1406, a motion was made by Councilor Darnell, seconded by Councilor McCulloch that the said resolution be passed and adopted as presented. The roll was called with the following result:

Those voting aye:	Dan Darnell Mary M. Fischer Gayla McCulloch
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Those voting nay:	Jason Sandel
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The presiding officer thereupon declared that three Councilors having voted in favor thereof, the said motion carried and Resolution No. 2011-1406 was duly passed and adopted.

RESOLUTION NO. 2011-1409 APPROVING CERTAIN REVISIONS TO THE FY12 BUDGET AND REQUESTING STATE APPROVAL

Administrative Services Director Andy Mason reviewed the proposed amendments to the FY 12 budget and recommended adoption of Resolution No. 2011-1409.

Following brief discussion regarding the "encumbrance rollover" of projects completed or substantially completed in FY 11 but invoiced after the start of FY 12, Councilor Sandel asked that in the future, the Council be provided with documentation of the decrease in the previous budget and increase in the current budget in order to assure that it is a "dollar-for-dollar encumbrance rollover". There were no objections from the Council.

After consideration of Resolution No. 2011-1409, a motion was made by Councilor Darnell, seconded by Councilor McCulloch that the said resolution be passed and adopted as presented. The roll was called with the following result:

Those voting aye:	Dan Darnell Mary M. Fischer Gayla McCulloch Jason Sandel
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Those voting nay: None

The presiding officer thereupon declared that four Councilors having voted in favor thereof, the said motion carried and Resolution No. 2011-1409 was duly passed and adopted.

QUARTERLY FINANCIAL REVIEW

Utilizing a powerpoint presentation to display financial data that he provided to the Council, Administrative Services Director Andy Mason reviewed the FY11 Fourth Quarter Financial Report for the period ending June 30, 2011. He noted that gross receipts tax revenues for the fourth quarter were four percent above those received for the same period last year. He also reported that revenues in the General Fund were 8.8 percent above budget and that expenditures were 3.5 percent under budget; revenues in the Electric Fund exceeded expenditures by \$6 million; revenues in the Water Fund exceeded expenditures by \$1.08 million; and revenues in the Wastewater Fund exceeded expenditures by \$660,000.

In response to inquiry from Councilor Darnell, City Manager Rob Mayes stated that the 3.1 percent increase in Electric Utility Fund expenses from FY 10 to FY 11 is due, in part, to increased infrastructure costs.

Staff responded to questions from the Council concerning the deficit between revenue and expenditures in the Golf Fund and the potential impact on the City in the event of another economic downturn.

APPOINTMENTS TO THE LIBRARY BOARD

Mayor Roberts asked the Council's consideration of the appointments of Paula Nickerson (term to May 2014) and John Yokie (term to May 2012) to the Library Board.

Motion made by Councilor Fischer, seconded by Councilor Sandel to confirm the appointment of Paula Nickerson to the Library Board, as recommended by the Mayor, and upon voice vote the motion carried unanimously.

Motion made by Councilor Fischer, seconded by Councilor McCulloch to confirm the appointment of John Yokie to the Library Board, as recommended by the Mayor, and upon voice vote the motion carried unanimously.

COUNCIL BUSINESS

Road Resurfacing

Mayor Roberts reported that he has received favorable comments from the public regarding the ongoing road resurfacing but that the constituents are questioning why so many roads are being resurfaced at the same time. In response, City Manager Rob Mayes explained that 1) the construction season is limited; 2) there are only two major paving companies that operate in New Mexico and they do the resurfacing when they have time available; 3) one contractor spent less time in Farmington than anticipated last year; and 4) that following last year's flash flood, staff was more conservative with its expenditures until they were certain of the amount that FEMA would reimburse for the disaster.

In response to inquiry from the Mayor, Public Works Director Jeff Smaka stated that, to date, the City has received \$1.8 million of the expected \$3.3 million FEMA reimbursement.

Following brief discussion regarding notification of parties affected by the resurfacing projects, Councilor Fischer asked that repaving be done in a "business friendly" manner.

Connie Mack World Series

Councilor Darnell commended everyone involved in the recent Connie Mack World Series.

Street Medians

Noting that there is a stark difference between the medians on Main Street and the medians on Piñon Hills Boulevard, Councilor Sandel asked that the Parks, Recreation and Cultural Affairs Department provide the Council with a report on the status of the median improvement program.

Sandstone Productions

Responding to Councilor Sandel regarding the budget for Sandstone Productions, City Manager Rob Mayes stated that a report will be provided to the Council in the near future.

Major Thoroughfare Plan

Responding to Councilor Sandel, Assistant City Manager Bob Campbell stated that discussion of the City's Major Thoroughfare Plan will be scheduled for a regular City Council meeting in September.

Public Service Company of New Mexico/San Juan Generating Station

Councilor Sandel requested the status of Public Service Company of New Mexico's ("PNM") decision to appeal the ruling of the Environmental Protection Agency ("EPA") requiring the installation of selective catalytic reduction equipment at the San Juan Generating Station to reduce regional haze; the amount the City is expected to expend on an appeal; and the role of PNM in "spending" the City's money on an appeal. In response, City Attorney Jay Burnham stated that he and Electric Utility Director Maude Grantham-Richards will provide a report to the Council within the next week.

Mancos Shale

Referring to recent articles in *The Daily Times* regarding the potential for an "oil boom in the Mancos Shale", Councilor Sandel asked that there be a presentation to the Council on the conversion from a "gas play" to an "oil play" in the San Juan Basin. Following brief discussion, it was the consensus of the Council to contact Steve Dunn, Drilling and Production Manager for Merrion Oil and Gas, and request that he make a presentation to the Council.

Fire Training

Citing a complaint from a constituent regarding restrictions imposed by the City on the use of open flame or the use of diesel fuel or other accelerants for fire training purposes, Councilor Sandel asked for Council consensus to consider an ordinance to replace the currently adopted 2003 International Fire Code to allow the certification of fire training academies. Councilor Darnell stated that, in this particular case, it was his understanding that the location of the fire training posed a problem for neighboring property owners. Fire Chief Terry Page reported that an agreement was reached with Farmington Fire Equipment that satisfied all parties and that his department has developed a plan to issue an industrial/commercial fire permit for businesses such as Farmington Fire Equipment far enough in advance of an event as possible for planning purposes. He noted that staff will be asking the Council to consider adopting the 2009 International Fire Code in the near future. Following further discussion, Mayor Roberts suggested that any proposed changes to the existing ordinance be considered at the time staff presents an amendment to adopt the 2009 International Fire Code. There were no objections from the Council.

Councilor Darnell commended staff for the manner in which they resolved the issue with Farmington Fire Equipment.

CLOSED MEETING

A motion was made by Councilor Darnell, seconded by Councilor McCulloch to close the meeting to discuss request for proposals for a fiber optic feasibility study and disposition of real property not currently being used for City purposes (East Murray Drive & Hydro Plant Road). The roll was called with the following result:

Those voting aye:	Dan Darnell
	Mary M. Fischer
	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 11:26 a.m. with all members of the Council being present.

Councilor Fischer left the meeting at 11:44 a.m.

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 Sandel, seconded by Councilor Darnell to open the meeting for further business, and upon voice vote the motion carried unanimously.

The open meeting was reconvened by the Mayor at 11:45 a.m. with Councilors Darnell, McCulloch and Sandel being present.

REQUEST FOR PROPOSALS FOR A FIBER OPTIC FEASIBILITY STUDY

Purchasing Officer Eddie Smylie announced that proposals for a fiber optic feasibility study (Administration) opened on June 20, 2011 with seven offerors participating. He recommended that the contract be awarded to Elert & Associates Networking Division, Inc. as the top evaluated firm based on the pricing schedule for services.

Thereupon, a motion was made by Councilor Sandel, seconded by Councilor McCulloch to award the proposal for a fiber optic feasibility study to Elert & Associates Networking Division, Inc., as recommended by the Purchasing Officer, and upon voice vote the motion carried unanimously.

There being no further business to come before the Council, the meeting was adjourned at 11:47 a.m.

APPROVED this 13th day of September, 2011.

Tommy Roberts, Mayor

SEAL

ATTEST:

Dianne Fuhrman, City Clerk