

Work Session of the City Council, City of Farmington, New Mexico, held Tuesday, December 6, 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

EMPLOYEE OF THE MONTH PROGRAM AWARDS

Employee Council President Annette Lobato recognized Parks Maintenance Worker Andrea Coleman and Construction Inspector David Sanchez as the Employee of the Month award recipients for August and September, 2011, respectively. The recipients were presented with plaques and gift certificates and the Mayor expressed his appreciation for their dedication to the City.

Ms. Lobato also announced that she will be vacating her position as Employee Council President on December 30, 2011 and proudly announced that Water Technician Shannon Ben will be filling her seat.

CAPITAL PROJECTS AND INFRASTRUCTURE INVESTMENT PLAN/408 FUND

Providing opening remarks, City Manager Rob Mayes announced that Paul Cassidy, Managing Director for RBC Capital Markets, is present at today's meeting to discuss the City's current bond refinancing options. He also announced that Mr. Cassidy has voluntarily eliminated his firm from being eligible to underwrite any bonds that the Council may choose to refinance. He also asked the Council to provide staff with specific direction on projects that they deem to be "high priority" and ready for advancement. He explained that it is difficult for staff to prioritize the numerous capital projects without some direction on whether the Council supports utilizing the monies in the 408 Fund and/or initiating a 10- or 15-year refinancing option on the City's callable bonds.

Mr. Cassidy introduced Erik Harrigan, Vice President of RBC Capital Markets, and stated that Mr. Harrigan will provide additional information on the bond refinancing options if requested by the Council. Utilizing a powerpoint presentation, Mr. Cassidy reviewed the City's outstanding gross receipts tax debt; its refunding opportunities; and its bond rating history. Noting that the City's Series 2001 Bonds are currently callable and that the Series 2005 Bonds are callable in 2013, Mr. Cassidy stated that he does not believe that it is fiscally responsible to refund the 2005 bonds due to the low short-term interest rates. He recommended that the 2001 Bonds be refinanced to generate either \$10 million or \$15 million in new revenue for the purpose of financing needed capital improvement projects. He noted that both options will keep the City's annual bond debt obligation at approximately \$1.5 million and will simply extend the final maturity dates to either 2024 or 2030, respectively. Noting that there are several options for accessing the capital markets, including competitive sales, negotiated sales, a loan from the Mortgage Finance Authority and bank placement, Mr. Cassidy recommended that the Council consider a loan from the New Mexico Finance Authority because

they have a AAA bond rating, are less costly than other financial institutions and offer low interest rates.

In response to inquiry from Councilor McCulloch, Mr. Cassidy reported that it would be possible for the refunding to be completed by early spring of 2012 if the Council chooses to proceed with the project. He also responded to numerous questions from Councilor Sandel with regard to the effect that the refinancing will have on the City's bond rating, noting that it will be minimal.

Following lengthy discussion, Councilor Sandel stated that he philosophically agrees with extending the life of the bonds, but stated that he prefers that the new monies be used to construct a large ticket item, such as a new civic center. He also reiterated his request that excess gross receipts tax revenues being collected in the General Fund be used for capital projects instead of operational costs.

Mayor Roberts announced that he supports the extension of the bonds to generate an additional \$15 million for larger capital projects and also recommends that the monies in the 408 Fund be utilized for smaller projects, such as the construction of a regional animal shelter.

Councilor McCulloch stated that she supports a bond extension that would generate \$15 million in new monies and believes that the proposed regional animal shelter is a high priority.

Councilor Fischer asked that the Council engage in a comprehensive discussion on the construction plans for the regional animal shelter facility, stating that she has heard that the current proposal is "cheap" and ineffective. She voiced her objection to the proposed metal building, contending that it will rust-out over time due to the need for constant cleaning. In response, Mayor Roberts reported that staff has identified ways for cutting the cost of the project without compromising the functionality of the facility. He explained that one of the options is a different location that does not require the extension of water, sewer and electric utility lines.

In response to Councilor Fischer's comments, Animal Shelter Task Force member Phil Morin explained that the Task Force is amenable to an alternative location (such as the one located near the City's Municipal Operations Center) in an effort to reduce the costs associated with the project. He also pointed out that staff has assured the Task Force that their concerns regarding the HVAC unit and the removal of waste will be seriously considered and will likely be consistent with the original plans. He also stated that City Manager Rob Mayes and Assistant City Manager Bob Campbell have been cooperative with the Task Force and have given serious consideration to their concerns about the functionality of the project.

Following further discussion, it was the consensus of the Council to direct staff to schedule a comprehensive discussion on the proposed regional animal shelter at the December 20, 2011 City Council Work Session.

There was no further discussion or direction given concerning the Capital Projects and Infrastructure Investment Plan.

BID/PURCHASE OF POLE-MOUNTED VACUUM-SWITCHED CAPACITOR BANKS

Purchasing Supervisor Kristi Benson reported that bids for purchase of pole-mounted vacuum-switched capacitor banks (Parks, Recreation and Cultural Affairs) opened on November 15, 2011 with four bidders participating. She recommended that the bid be awarded to Stuart C. Irby on its low bid after application of five percent in-state preference of \$40,446.

Thereupon, a motion was made by Councilor Fischer, seconded by Councilor Darnell to award the bid for purchase of pole-mounted vacuum-switched capacitor banks to Stuart C. Irby on its low bid of \$40,446, as recommended by the Purchasing Supervisor, and upon voice vote the motion carried unanimously.

BID/PURCHASE OF HERBICIDES, INSECTICIDES, FUNGICIDES AND MISCELLANEOUS CHEMICAL SUPPLIES

Purchasing Supervisor Kristi Benson reported that bids for purchase of herbicides, insecticides, fungicides and miscellaneous chemical supplies (Parks, Recreation and Cultural Affairs) opened on November 1, 2011 with ten bidders participating. She recommended that the bid be awarded to the lowest and best bidder per line item after application of five percent in-state preference (Line Items Z & AG - Adapco, \$4,571.80; Line Items A, B, AM, AN, AR, AS, AY, BA & BE - Agrium Advanced Technologies, \$6,201; Line Item C - Crop Production Services, Inc., \$3,404; Line Items L, U, AA, AB, AT, AZ, BB & BF - Golf Enviro Systems, \$8,037.20; Line Items H, I, K, O, Q, R, AP & BD - Helena Chemical Co., \$19,896.80; Line Items N, AE, AK, AW, BC & BG - John Deere Landscapes, \$9,918.76; Line Items J, P, T, AV & AX - Red River Specialties, \$5,676.86; Line Items D thru G, M, S, V, W, Y, AC, AD, AF, AH, AJ & AO - Univar USA, Inc., \$18,760.20; and Line Items X & AQ - Winfield Solutions, \$2,741.20). She also recommended that Line Items AL and AU be canceled in their entirety since no bids were received; that the bids received for Line Item AI from Golf Enviro Systems, John Deere Landscapes, Univar USA and Winfield Solutions be rejected for being non-responsive and not meeting specifications; that Line Item AI be canceled in its entirety; and that the bids received for Line Items AJ and AT from Agrium Advanced Technologies be rejected for being non-responsive and not meeting specifications.

Thereupon, a motion was made by Councilor Fischer, seconded by Councilor Darnell to award the bid for purchase of herbicides, insecticides, fungicides and miscellaneous chemical supplies to the lowest and best bidder per line item after application of five percent in-state preference, as recommended by the Purchasing Supervisor, and upon voice vote the motion carried unanimously.

RESOLUTION NO. 2011-1415 ESTABLISHING A REGULAR MUNICIPAL ELECTION FOR THE CITY OF FARMINGTON TO BE HELD TUESDAY, MARCH 6, 2012

City Clerk Dianne Fuhrman presented and recommended adoption of Resolution No. 2011-1415 establishing a regular municipal election for the City of Farmington to be held on Tuesday, March 6, 2012.

As a result of the discussion held earlier today concerning financing options for needed capital improvement projects, Councilor Sandel questioned whether it is too late to get a question on the 2012 ballot to determine if the voters are in support of a gross receipts tax increase. In response, Ms. Fuhrman stated that she does not know offhand the exact deadline, but suspects that it is within the next few weeks.

In response to comments from Mayor Roberts, Ms. Fuhrman confirmed that the City of Albuquerque had a few glitches with the operation of their voting convenience centers, but assured the Council that those snags should be fixed prior to the City's election in March.

After consideration of Resolution No. 2011-1415, a motion was made by Councilor Darnell, seconded by Councilor McCulloch that 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
-------------------	---

Those voting nay:	None
-------------------	------

The presiding officer thereupon declared that four Councilors having voted in favor thereof, the said motion was carried and Resolution No. 2011-1415 was duly passed and adopted.

2012 ELECTION WORKER COMPENSATION

Referring to Sections 3-8-19F and 3-8-21D (NMSA) of the Municipal Election Code, City Clerk Dianne Fuhrman requested authorization to pay a \$10 mileage stipend to election workers and alternates who attend the 2012 Farmington municipal election training and to pay \$15 to alternate precinct board members who stand-by on election day. In addition she recommended that each election worker and alternate spend eight hours

assisting the Clerk and Deputy Clerk with early voting, at a rate of \$10 per hour, in order to get them accustomed with the new procedures associated with voting convenience centers.

Following consideration, a motion was made by Councilor McCulloch, seconded by Councilor Darnell to authorize a \$10 mileage stipend to precinct board members and alternates who attend the 2012 Farmington municipal election training, a \$15 payment to alternate precinct board members who stand-by on election day and to pay each election worker and alternate \$10 per hour for an eight-hour shift to assist the Clerk and Deputy Clerk with early voting, and upon voice vote the motion carried unanimously.

RESOLUTION NO. 2011-1416/GRANT AGREEMENT/REPLACEMENT OF THE ROOF FOR THE EAST AND WEST TERMINAL BUILDING AT THE FOUR CORNERS REGIONAL AIRPORT

Noting that the roof on the airport terminal and annex buildings are approximately 18 years old, City Manager Rob Mayes reported that numerous water leaks have caused significant damage and poor energy efficiency due to there being little to no insulation remaining. He stated that the New Mexico Department of Transportation, Aviation Division, has agreed to pay 80 percent (\$162,300) of the estimated repair costs of \$202,875 and noted that the City's contribution is \$40,575 and will be paid with monies from the General Fund under the City Manager's Line Item of Emergency and New Opportunities. He requested adoption of Resolution No. 2011-1416, as presented.

After consideration, a motion was made by Councilor McCulloch, seconded by Councilor Darnell to pass and adopt Resolution No. 2011-1416, as presented. 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 and Resolution No. 2011-1416 was duly passed and adopted.

PROJECT AGREEMENT/"SELECTIVE TRAFFIC ENFORCEMENT PROGRAM"
(S.T.E.P.) GRANT FUNDING

Police Lieutenant Darin Hardy requested approval of the Project Agreement between the City and the New Mexico Department of Transportation for grant funding in the amount of \$7,940 for the "Selective Traffic Enforcement Program" (S.T.E.P.) which is aimed at reducing traffic-related injuries and fatalities (funding period from October 1, 2011 through September 30, 2012).

A motion was made by Councilor Darnell, seconded by Councilor McCulloch to approve Project Agreement #12-RF-01-035 between the City and the New Mexico Department of Transportation for "Selective Traffic Enforcement Program" grant funding, as presented, and upon voice vote the motion carried unanimously.

PROJECT AGREEMENT/"OPERATION DWI" GRANT FUNDING

Police Lieutenant Darin Hardy requested approval of the Project Agreement between the City and the New Mexico Department of Transportation for grant funding in the amount of \$64,711 for "Operation DWI" sobriety checkpoints and saturation patrols which are aimed at reducing alcohol-related crashes, injuries and deaths (funding period from October 1, 2011 through September 30, 2012).

A motion was made by Councilor Darnell, seconded by Councilor McCulloch to approve Project Agreement #12-AL-K8-035 between the City and the New Mexico Department of Transportation for "Operation DWI" grant funding, as presented, and upon voice vote the motion carried unanimously.

PROJECT AGREEMENT/"OPERATION BUCKLE DOWN" GRANT FUNDING

Police Lieutenant Darin Hardy requested approval of the Project Agreement between the City and the New Mexico Department of Transportation for grant funding in the amount of \$13,307 for "Operation Buckle Down" which is aimed at increasing seatbelt and child restraint usage (funding period from October 1, 2011 through September 30, 2012).

A motion was made by Councilor Darnell, seconded by Councilor McCulloch to approve Project Agreement #12-OP-RF-035 between the City and the New Mexico Department of Transportation for "Operation Buckle Down" grant funding, as presented, and upon voice vote the motion carried unanimously.

PROJECT AGREEMENT/"CLICK IT OR TICKET" GRANT FUNDING

Police Lieutenant Darin Hardy requested approval of the Project Agreement between the City and the New Mexico Department of Transportation for grant funding in the amount of \$4,923 for "Click It or Ticket" which is aimed at increasing seatbelt and proper child restraint usage (funding period from May 21, 2012 through June 3, 2012).

A motion was made by Councilor Darnell, seconded by Councilor McCulloch to approve Project Agreement #12-OP-CIOT-035 between the City and the New Mexico Department of Transportation for "Click It or Ticket" grant funding, as presented, and upon voice vote the motion carried unanimously.

PROJECT AGREEMENT/"FULL TIME LAW ENFORCEMENT DWI OFFICERS PROGRAM" GRANT FUNDING

Police Lieutenant Darin Hardy requested approval of the Project Agreement between the City and the New Mexico Department of Transportation for grant funding in the amount of \$136,500 for "Full Time Law Enforcement DWI Officers Program" aimed at reducing alcohol-related crashes, injuries and deaths by conducting DWI sobriety checkpoints and saturation patrols (funding period from October 1, 2011 through September 30, 2012).

A motion was made by Councilor Darnell, seconded by Councilor McCulloch to approve Project Agreement #12-AL-035F64-P01 between the City and the New Mexico Department of Transportation for "Full Time Law Enforcement DWI Officers Program" grant funding, as presented, and upon voice vote the motion carried unanimously.

GOLF FEES/EXPENDITURE AND REVENUE OPTIONS

As previously requested by the Council, City Manager Rob Mayes announced that staff has prepared a more detailed accounting of the operating expenses, capital improvement projects and revenue options for Piñon Hills and Civitan Golf Courses, including an option to no longer require the Golf Fund to be a self-supporting enterprise. He directed the Council's attention to pages 11.0 and 11.1 of the agenda materials and asked the Council for input on the six proposed options. He stated that if Council concurs with one of the proposed options, staff will schedule it for action at the December 13, 2011 regular City Council meeting and implement the new rates on January 1, 2012. Mr. Mayes reviewed in detail the proposed options; noted that staff is most supportive of Option 2b because it moves Civitan Golf Course from the Golf Fund to the General Fund and spreads the proposed revenue increase between the daily users and the annual pass holders; and stated that staff is recommending that the Council authorize an annual rate modifier that is equal to the annual Consumer Price Index (CPI) plus 1.5 percent, beginning January 1, 2013, in an effort to keep the golf rates competitive.

Mayor Roberts stated that he philosophically agrees with Civitan being removed from the Golf Fund (Options 2a, b and c) but questioned whether the proposed annual rate modifier could be implemented on a discretionary basis instead of a mandatory one. In response, Mr. Mayes assured him that it could.

Councilor Darnell stated that he is supportive of Option 2a and the proposed annual rate modifier.

Councilor Sandel stated that he supports the concept of the golf courses being subsidized by the General Fund. However, he asked that staff provide the Council with a list of necessary capital projects at Piñon Hills Golf Course.

Councilor Fischer questioned whether the replacement of the sprinkler system at Piñon Hills Golf Course should be added as a project in the proposed Capital Projects and Infrastructure Investment Plan.

Following further discussion of the proposed options, the Council directed staff to advise the golfing community of the proposed options and to schedule this item for further discussion at the January 10, 2012 regular City Council meeting.

COUNCIL BUSINESS

Posting Employee Names, Positions and Salaries to the City's Website

Councilor Fischer stated that she does not believe that the Council fully considered the ramifications of giving consent to the Mayor's suggestion that the City post the names, positions and salaries of employees on the City's website and asked that further discussion be held on the issue before any action is taken. She also questioned whether the Council's decision is in direct conflict with Resolution No. 99-967 since it states that the "governing body of the City wishes to comply with these laws (state and federal) and, at the same time, respect the rights to privacy and safety of its employees." She asked that the issue be carefully vetted by Employee Council and that the employees, as a whole, be given the opportunity to discuss their concerns with the Council in an open meeting.

In response, City Attorney Jay Burnham stated that he does not believe that posting of employee names, positions and salaries on the City's website is in conflict with Resolution No. 99-967.

Mayor Roberts maintained his position that this policy should be implemented in order to promote transparency and to build trust with the citizens of Farmington. However, he stated that he is willing to consider options to ameliorate the concerns of identity theft, personal safety and security as expressed by a handful of employees.

Councilor Sandel expressed his support for the proposed policy.

Following further discussion, it was determined that additional consideration needs to be given to determine if the information posted will be the hourly rate, annual salary or the year-to-date information (and with or without benefits) and how often the information is to be updated. The Mayor suggested that staff establish a policy and present it to the Council for consideration at a City Council Work Session in January.

Future of the Proposed Regional Animal Shelter

Councilor Fischer announced that she expressed her concerns on the future of the proposed Regional Animal Shelter during today's discussion of the Capital Projects and Infrastructure Investment Plan. However, she voiced strong frustration with staff because she believes that the Animal Shelter Task Force has been given information pertinent to an alternative site and construction modifications that the Council has not been provided (e.g. architectural drawings that show the revised ventilation system, the elimination of the education room and the proposed decrease of cages/increase in the number of animals per cage). She also stated that she does not know the location of the proposed alternative (or neutral) site. In response, City Manager Rob Mayes explained that staff has not specifically picked a location for construction of the proposed facility, but is using the term "neutral site" to explain the cost savings that will be realized if a location is selected that already has utilities.

Speculating that some of Councilor Fischer's frustration could be mitigated through direct communication with the city manager, Mayor Roberts suggested that she make an effort to meet with Mr. Mayes in private.

Disrepair of Highway 516 between Farmington and Aztec

Councilor Fischer asked the Council for consensus to direct staff to write a letter to the State Department of Transportation urging them to repair Highway 516 between Farmington and Aztec.

In response, City Manager Rob Mayes announced that staff has contacted the New Mexico Department of Transportation and has determined that they have issued bids to repair Highway 516 between mile markers 7.5 and 13.7 (from the Farmington city limits to Main Street in downtown Aztec) beginning in January, 2012.

Councilor Darnell reported that the Metropolitan Planning Organization is working to adopt a Memorandum of Understanding ("MOU") that would allow local governments to repair crucial roadways and then request reimbursement from the State. He asked for permission to meet with Butch Matthews, a resident of San Juan County and member of the New Mexico Department of Transportation Commission, and ask him to advise the Council on the status of the proposed MOU.

CLOSED MEETING

A motion was made by Councilor Sandel, seconded by Councilor McCulloch to close the meeting to discuss acquisition of real property (Piñon Hills Boulevard extension). 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 12:35 p.m. with all members of the Council being present.

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 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 12:43 p.m. with all members of the Council being present.

LAND EXCHANGE AGREEMENT/JEFF THOMAS

City Attorney Jay Burnham requested approval of a Land Exchange Agreement between the City and Jeff Thomas for exchange of 2.19 acres of City-owned property located at 5601 East Main Street for 5.33 acres of property owned by Jeff Thomas located off of Largo Street.

Following brief consideration, a motion was made by Councilor Darnell, seconded by Councilor Sandel to approve a Land Exchange Agreement authorizing the exchange of 2.19 acres of City-owned property (located at 5601 East Main Street) for 5.33 acres of property owned by Jeff Thomas (located off of Largo Street), as presented, and upon voice vote the motion carried unanimously.

There being no further business to come before the Council, the meeting was adjourned at 12:45 p.m.

APPROVED this 10th day of January, 2012.

Tommy Roberts, Mayor

SEAL

ATTEST:

Dianne Fuhrman, City Clerk