

**LINKED MINUTES OF REGULAR MEETING OF THE CITY COUNCIL OF THE
CITY OF CARLSBAD, NEW MEXICO, HELD IN THE MUNICIPAL BUILDING
ON FEBRUARY 28, 2017 AT 6:00 P.M.**

Present:	Dale Janway Lisa A. Anaya Flores Edward T. Rodriguez Leo B. Estrada Wesley A. Carter Jason Shirley Richard Doss	Mayor Councilor Councilor Councilor Councilor Councilor Councilor
Absent:	J. R. Doport Ward 4	Councilor Vacancy
Also Present:	Steve McCutcheon Stephanie Shumsky Eileen P. Riordan Annette Barrick Patsy Jackson-Christopher Luis Camero Steve Hendley Michael Hernandez Wendy Hammett Richard Lopez Jeff Patterson Kent D. Waller Patrick Cass	City Administrator Deputy City Administrator City Attorney City Clerk Director of Arts & Culture Director of Engineering Services Director of Parks & Recreation Director of Utilities Finance Director Fire Chief Planning Director Police Chief Public Works Director

Time Stamps and headings below correspond to recording of meeting and the recording is hereby made a part of the official record.

0:00:00 **Call Meeting to Order**

0:00:01 **Invocation - Pledge of Allegiance**

0:00:28 **1. APPROVAL OF AGENDA**

0:00:31 **Motion**

The motion was made by Councilor Carter and seconded by Councilor Doss to approve the Agenda

0:00:36 **Vote**

The vote was as follows: Yes - Doss, Estrada, Rodriguez, Shirley, Carter, Anaya Flores; No - None; Absent - Doport; The motion carried.

0:00:48 **2. CONSIDER APPROVAL OF RESOLUTION NO. 2017-07, A RESOLUTION MAKING CERTAIN BUDGETARY ADJUSTMENTS TO THE 2016-2017 FISCAL YEAR BUDGET (3RD QUARTER)**

Mrs. Gonzales reviewed the revenue and expenditures making certain Budgetary Adjustments to the 2016-2017 Fiscal Year Budget highlighting the General Fund, the Lodgers' Tax Fund, the Sports Complex Fund, the CIEP Fund, the NM Finance Authority Loans Fund, and the Permanent Water & Sewer Fund.

0:04:22 **Motion**

The motion was made by Councilor Doss and seconded by Councilor Estrada to approve Resolution No. 2017-07, a Resolution making certain Budgetary Adjustments to the 2016-2017 Fiscal Year Budget (3rd Quarter)

0:04:28 **Vote**

The vote was as follows: Yes - Doss, Estrada, Rodriguez, Shirley, Carter, Anaya Flores; No - None; Absent - Doport; The motion carried.

0:04:41 **3. CONSIDER APPROVAL OF JANUARY 2017 FINANCIAL REPORT**

Ms. Hammett reviewed the revenues and expenditures as of January 2017 for the General Fund and selected Enterprise and Special Funds contained within the City Budget.

Mr. McCutcheon explained that no vote is required on this item.

0:06:08 **4. CONSIDER APPROVAL OF THE YEAR ENDED JUNE 30, 2016 ANNUAL AUDIT BY FARLEY VENER**

Mr. Farley Vener presented the 2016 Audit Summary:

- Audit Communications
- Summary of Audit Results
- Finding/Recommendations
- Review Financial State Trends

0:14:39 **Mr. McCutcheon** expressed his appreciation to the staff for all of their hard work. He also thanked Mr. Vener and his staff for the extra effort to complete the audit for timely submittal. He added now that the standards have been set for a timely submittal and no audit findings, staff needs to continue doing so in the years to come.

Councilor Doss said this is gratifying to see. He said Mr. Vener and his staff are very professional and he appreciates all of their help.

Mr. Vener said he appreciated working with City staff.

Mayor Janway thanked Mr. Vener and staff for all of their efforts to complete the audit.

0:16:51 **Motion**

The motion was made by Councilor Doss and seconded by Councilor Estrada to approve the Year Ended June 30, 2016 Annual Audit by Farley Vener

0:16:59 **Vote**

The vote was as follows: Yes - Doss, Estrada, Rodriguez, Shirley, Carter, Anaya Flores; No - None; Absent - Doportio; The motion carried.

0:17:14 **5. ROUTINE AND REGULAR BUSINESS**

- A. Minutes of the Regular City Council Meeting Held on February 14, 2017
- B. City Personnel Report
- C. Purchasing:
 - 1) Consider approval to Advertise Invitation for Bids for the Improvements to the Entrance of the Cavern City Air Terminal
 - 2) Consider approval to purchase three (3) Compactors and eight (8) 30-CY Roll-Off Containers
 - 3) Consider approval to Advertise Invitation for Request for Proposals for Pre-Audit Preparation Services for the FY- 2016-2017 Audit
- D. Monthly Reports:
 - 1) Arts and Culture Department Monthly Report, January 2017
 - 2) Sports and Recreation Department Monthly Report, January 2017
- E. Board Appointments:
 - 1) Budget Committee: Appointment: Interim-City Councilor Jason Shirley
- F. Contracts and Agreements:
 - 1) Consider approval of Memorandum of Understanding between the City of Carlsbad and the US Department of Energy, Carlsbad Field Office concerning local Law Enforcement Support
- G. Set Date-March 28, 2017
 - 1) An Ordinance rezoning part of "R-2" Residential District to "C-1" Commercial District for an approximately 0.34 acre property, located at 502 North Sixth Street, Legally described as the South 1/2 of the Northwest ¼ of Section 1, Township 22 South, Range 26 East, pursuant to Section 3-21-1 et seq, NMSA 1978 and Sections 56- 150(B) and 56-140-(I), Carlsbad Code of Ordinances

0:17:35 **Mayor Janway** asked Mr. McCutcheon to discuss Item C.2 Consider approval to purchase three (3) Compactors and eight (8) 30-CY Roll-Off Containers. **Mr. McCutcheon** explained this item is for the approval to purchase 3 compactors and 8 30 cubic yard roll-offs. He explained staff is struggling to meet the demand for roll-offs. He said these items have been budgeted and approved by the Budget Committee. He asked Mr. Hernandez how many compactors are currently being used. **Mr. Hernandez**

said 4 and gave the locations of Albertsons, the Hospital, Lowe's, and Ross. **Mr. McCutcheon** explained when compactors are set it does make a big difference to the city. He said with the compactors, staff does not need to frequent as often to pick up commercial containers. He said staff is interested in expanding the compactors because the compactors will save the city money.

0:18:49 **Motion**

The motion was made by Councilor Carter and seconded by Councilor Rodriguez to approve Routine and Regular Business

0:18:56 **Vote**

The vote was as follows: Yes - Doss, Estrada, Rodriguez, Shirley, Carter, Anaya Flores; No - None; Absent - Doporto; The motion carried.

0:19:11 **6. CONSIDER APPROVAL OF A BEER WHOLESALER LIQUOR LICENSE, MASTER LICENSE NO. 1027283, FOR MILTON'S BREWERY, LLC, LOCATED AT 108 E. MERMOD ST.**

Mr. McCutcheon explained this license is an addition to Milton's Brewery license which will allow Milton's to brew and distribute beer to other establishments.

0:20:26 **Motion**

The motion was made by Councilor Carter and seconded by Councilor Rodriguez to approve a Beer Wholesaler Liquor License, Master License No. 1027283, for Milton's Brewery, LLC, located at 108 E. Mermod St.

0:20:31 **Vote**

The vote was as follows: Yes - Doss, Estrada, Rodriguez, Shirley, Carter, Anaya Flores; No - None; Absent - Doporto; The motion carried.

0:20:41 **7. CONSIDER APPROVAL OF RESOLUTION NO. 2017-08, A RESOLUTION DECLARING CERTAIN CITY PROPERTY UNUSABLE OR OBSOLETE**

Mr. McCutcheon explained this is the standard Resolution for following statute to dispose of obsolete and unusable City property.

0:21:12 **Motion**

The motion was made by Councilor Shirley and seconded by Councilor Anaya Flores to approve Resolution No. 2017-08, a Resolution declaring certain City Property Unusable or Obsolete

0:21:18 **Vote**

The vote was as follows: Yes - Doss, Estrada, Rodriguez, Shirley, Carter, Anaya Flores; No - None; Absent - Doporto; The motion carried.

0:21:31 **8. CONSIDER APPROVAL OF RESOLUTION NO. 2017-09, A RESOLUTION SUPPORTING FRIENDSHIP PARK**

Ms. Deanna Taylor said the Resolution explains that the committee would like to provide a playground that will be accessible and usable by everyone. She explained this all began with Superintendent Gary Perkowski and the teachers who teach our children. She explained the location for the Park would be near Rotary Park. She said the Rotary Park equipment is in excellent shape so the new playground would be extended from Rotary Park. She explained the committee would like to install turf and would like the City to build the sidewalk around the area. She said she is requesting the City to approve the location and the committee will provide the funding for the playground.

0:25:31 **Ms. Wanda Welch** introduced the members of the Friendship Park Committee. She named herself, Deanna Taylor, Gary Perkowski, Jennifer Schoolcraft, Hope Massengill, and Denise Griffith. She explained that Ms. Taylor has wanted to build this park for many years. She said the committee is requesting the City's support in building this park to make dreams come true for the community.

Councilor Rodriguez asked for an idea of the future maintenance of the park. **Ms. Welch** said the turf has a 15 year life expectancy and the equipment has a lifetime guarantee. She said she has spoken with the Parks and Recreation Department and they support the idea 100%.

Councilor Rodriguez said it looks as if the requested location has no trees and will be in direct sunlight. **Ms. Taylor** said there will be some shade with the tree growth. **Ms. Welch** said the trees have been trimmed and when they are grown out, they will provide shade. **Ms. Welch** added the park is exciting for this town and the children. **Ms. Taylor** added the committee is waiting for the approval before requesting funding for the Park.

Mayor Janway thanked the Committee for their efforts and said he believes this is a great project.

0:33:56 **Motion**

The motion was made by Councilor Doss and seconded by Councilor Anaya Flores to approve Resolution No. 2017-09, a Resolution supporting Friendship Park

0:34:02 **Vote**

The vote was as follows: Yes - Doss, Estrada, Rodriguez, Shirley, Carter, Anaya Flores; No - None; Absent - Doportio; The motion carried.

0:34:16 **9. CONSIDER APPROVAL OF RESOLUTION NO. 2017-10 A RESOLUTION IN SUPPORT OF THE SUBMITTAL OF AN APPLICATION FOR MUNICIPAL ARTERIAL PROJECTS (MAP) GRANT FUNDING ADMINISTERED**

BY NM DEPARTMENT OF TRANSPORTATION (NMDOT) FOR THE RECONSTRUCTION OF SAN JOSE BOULEVARD

Mr. McCutcheon explained this is a request for staff to submit funding through the NMDOT, allowing the city to complete the final phase of San Jose Boulevard. He said this request is subject to funding availability, which is very limited. He said staff is asking for approval to submit the application.

0:35:22 **Motion**

The motion was made by Councilor Carter and seconded by Councilor Rodriguez to approve Resolution No. 2017-10, a Resolution in support of the submittal of an application for Municipal Arterial Projects (MAP) Grant Funding Administered by NM Department of Transportation (NMDOT) for the Reconstruction of San Jose Boulevard

0:35:27 **Vote**

The vote was as follows: Yes - Doss, Estrada, Rodriguez, Shirley, Carter, Anaya Flores; No - None; Absent - Doporto; The motion carried.

0:35:37 **10. CONSIDER APPROVAL OF RESOLUTION NO. 2017-11, A RESOLUTION IN SUPPORT OF THE SUBMITTAL OF AN APPLICATION FOR LOCAL GOVERNMENT ROAD FUNDING (LGRF) COOPERATIVE PROGRAM ADMINISTERED BY THE NM DEPARTMENT OF TRANSPORTATION FOR MULTIPLE STREET REMEDIATION PROJECTS WITHIN THE CITY OF CARLSBAD**

Mr. McCutcheon explained this is another grant from NMDOT that staff is asking for approval to submit. He said the grant is for maintenance of existing roads.

0:36:41 **Motion**

The motion was made by Councilor Rodriguez and seconded by Councilor Anaya Flores to approve Resolution No. 2017-11, a Resolution in support of the submittal of an application for Local Government Road Funding (LGRF) Cooperative Program Administered by the NM Department of Transportation for Multiple Street Remediation Projects within the City of Carlsbad

0:36:46 **Vote**

The vote was as follows: Yes - Doss, Estrada, Rodriguez, Shirley, Carter, Anaya Flores; No - None; Absent - Doporto; The motion carried.

0:36:56 **11. CONSIDER APPROVAL AUTHORIZING PARTICIPATION IN THE WELLS FARGO COMMUNITY & URBAN STABILIZATION PROGRAM AND THE ACCEPTANCE OF THE DONATION OF LAND AND STRUCTURE LOCATED AT 211 S. WALNUT STREET**

Ms. Shumsky explained this is an exciting opportunity with Wells Fargo. She explained Wells Fargo contacted her and informed her that they can offer foreclosed properties to nonprofit organizations that rehab housing for affordable housing. She

said Wells Fargo can also offer to the municipalities or counties the property is in. She said in order for the city to participate the Council would need to approve the participation. She said Wells Fargo will handle all the transaction fees, taxes, platting issues, deed transfers, and Wells Fargo will provide a certain amount of money that can be used to demolish the property, rehab the property, or a number of other things that the city see fit. She said she is excited and feels it is a good opportunity for the city to gain control over dilapidated properties to clean up neighborhoods and she is recommending approval.

0:40:24 **Councilor Doss** asked Chief Waller if this is a structure that we have had problems with. **Chief Waller** said he is not familiar with the property. He added anytime there is a property that is open like this, the property becomes a target and creates a problem.

Councilor Doss asked how much the city currently pays to demolish property. **Ms. Riordan** said the cost depends on the structure. She said the costs in the past have been from \$4,000 to well above \$15,000 depending on each structure.

0:42:41 **Motion**

The motion was made by Councilor Rodriguez and seconded by Councilor Anaya Flores to approve authorizing participation in the Wells Fargo Community & Urban Stabilization Program and the acceptance of the donation of land and structure located at 211 S. Walnut Street

0:42:58 **Vote**

The vote was as follows: Yes - Doss, Estrada, Rodriguez, Shirley, Carter, Anaya Flores; No - None; Absent - Doporto; The motion carried.

0:43:16 **12. COUNCIL COMMITTEE REPORTS**

Mayor Janway thanked Representative Catherine Brown for her effort in making sure the Carlsbad Fire Department's Combat Challenge Team is honored at the state level. He said the Fire Fighters are going to receive a special honor at 10:30 a.m. on Thursday at the Round House in Santa Fe. He said he is proud of the team for setting the World Record in the Fire Fighter Combat Challenge and winning the World and National title this year.

Chief Lopez said he appreciates Representative Brown for the recognition. He said this is a great honor for the Fire Department, for the Team, and for the City of Carlsbad. He said he is very proud and thankful and is looking forward to going to Santa Fe for their recognition.

Mayor Janway added this shows what a world class fire department we have in Carlsbad.

Councilor Doss said he would like to discuss a problem that we have locally that involves Representative Brown, the potential of the sinkhole at the south Y. He explained at the committee hearing the Brine Well was approved to establish the authority to start looking at options to fix. He said the problem seems to have stalled in the House with the funding portion and is not sure where the issue stands in the Senate. He said he can't stress enough the possibility of death of our citizens and the enormous financial consideration the sinkhole will cause, along with the negative publicity the city will receive across the country. He added the negative publicity will affect tourism, oil and gas, and potash.

Mr. McCutcheon said he just received a message from Representative Brown that states she is in final negotiations and is working on a deal for 400K plus. She explained it would be 200K from the Oil and Gas Reclamation fund, 200K from the Hazardous Waste Emergency Fund, 50K from the City of Carlsbad, and 50K from Eddy County. He said this item is not on the agenda, no action can be taken. He added he and the Mayor just received the information prior to the Council meeting tonight.

Councilor Doss said the State authorized the well, monitored the well, collected the royalties from the well, and the shut down the well. He said this is a state problem and the magnitude approaches 1 billion dollars and can bankrupt the city and state.

Councilor Shirley said he and Councilor Doss were in Washington, DC and worked with the city's representative Jeff Murray to talk to our senators for help in finding potential revenue streams.

Councilor Doss said he feels there is a lack of a sense of urgency as to what can happen with the sinkhole. **Councilor Rodriguez** said there is a lack of understanding.

Mayor Janway said the potential sinkhole is a bad situation and staff is going to try to pull out all of the stops to fix the situation.

Councilor Shirley congratulated Milton's for their finish in the Hobbs Febrewary contest.

0:51:11 **13. ADJOURN**

0:51:15 **Motion**

The motion was made by Councilor Anaya Flores and seconded by Councilor Rodriguez to Adjourn

0:51:21 **Vote**

The vote was as follows: Yes - Doss, Estrada, Rodriguez, Shirley, Carter, Anaya Flores; No - None; Absent - Doporto; The motion carried.

0:51:39 **Adjourn**

There being no further business, the meeting was adjourned at 6:52 p.m.

_____/s/Dale Janway_____
Mayor

ATTEST:

_____/s/Annette Barrick_____
City Clerk