

**REGULAR MEETING OF THE CITY COMMISSION
MONDAY, OCTOBER 10, 2016 @ 5:30 P.M.
CITY COMMISSION CHAMBERS, 214 S. LOVE STREET**

Call to Order: The meeting was called to order by Mayor Campos at 5:30 p.m.

Present and answering roll call: Commissioner Gandy, Commissioner Trujillo, Commissioner Butcher, Commissioner Sanchez, and Mayor Campos

Also Present: City Manager James Williams, City Attorney Patrick McMahon, Deputy Chief of Police Geoff Herweg, Fire Chief Terrance Lizardo, Public Works Director Wyatt Duncan, Finance Director Gary Chapman, City Clerk Carol Ann Hogue, and Administrative Assistant Anna Juarez

Invocation: Commissioner Gandy gave the invocation.

Pledge of Allegiance: Commissioner Gandy led the pledge.

Approval of Agenda: Mayor Campos called for a motion. Commissioner Trujillo so moved to approve the agenda; Commissioner Sanchez seconded. Motion carried unanimously.

Approval of the Regular Meeting Minutes of September 26, 2016: Mayor Campos called for a motion. Commissioner Sanchez so moved to approve the regular meeting minutes of September 26, 2016; Commissioner Gandy seconded. Motion carried unanimously.

COMMISSIONER AND STAFF REPORTS:

- Commissioner Butcher stated at the Baseball League Field the storage shed is covered by the trees; City Manager Williams stated Recreation Supervisor Rubio has a working plan in motion to address issue.
- Mayor Campos asked about Avenue K and 6th issue with drainage; Public Works Director Duncan stated the drainage ditch on Avenue K down to Avenue J has a 1" poly line that is leaking and line will get replaced sometime this week.
- City Manager Williams updated Commissioners of:
 - Special Sessions update, information on transfer of distribution of tobacco settlement, local DWI grant fund is possibly pending funding reimbursement, and Capital project funds reverted \$632,000 funding.
 - Hold Harmless Gross Receipt Tax was omitted from the bill; at this time distribution is on schedule per ordinance.
 - Senate Bill 7 did pass concerning Fire Fund; grants are frozen at this time.
 - Senate Bill 8 concerns Capital Outlay deauthorized projects; City of Lovington projects were not on the list.

PUBLIC COMMENT:

No public comment was made.

NON-ACTION ITEMS:

Discussion of 2016 road assessments: City Manager Williams presented to Commissioners the summary of the 2016 Road Assessment Project and assessment summarizes estimated planning, design, and construction costs per district. City Manager Williams stated the overall cost to repair roads is \$62.2 million, but does not include routine maintenance cost; restricted funds and grants are being used for some construction projects for this fiscal year. City Manager Williams asked Commissioners to review assessment and ICIP plan to decide where to invest \$700,000 budgeted gas tax funds for road improvements.

ACTION ITEMS:

Consider Resolution 2016-94: Amendment of Fund Balance Reserve Policy: Mayor Campos called for a motion. Commissioner Trujillo so moved to consider Resolution 2016-94: Amendment of Fund Balance Reserve Policy; Commissioner Sanchez seconded. City Manager Williams stated last year City Commission had adopted a reserve policy which set a minimum of 40% for the General Fund Reserve, however, it has been determined that the Reserve Policy should be adjusted to a minimum of 35%. City Manager Williams stated Resolution will amend the existing fund balance policy to reflect the new minimum General Fund reserve; this will help with the anticipated year end shortfall of \$1.5 million in GRT. City Manager Williams will find out how other similar size municipalities compare to City of Lovington General Fund Reserve of 35%; Finance Director stated there is a required minimum of 1/12 of annual expenditures municipalities in New Mexico. There being no further discussion; motion carried unanimously.

Consider Resolution 2016-95: Approval of expenditure reduction measures: Mayor Campos called for a motion. Commissioner Trujillo so moved to consider Resolution 2016-95: Approval of expenditure reduction measures; Commissioner Butcher seconded. City Manager Williams explained to Commissioners of options to consider for the Resolution 2016-95 to implement expenditure reductions; the options do have the potential to effect vacant positions and the approval of the Section K exemption.

- Option A – no reductions implemented
- Option B – Section K Exemption for Patrol Division of LPD
- Option C – Section K Exemption for Patrol Division of LPD and Reallocation of Fire Department Position to Ambulance Fund
- Option D – Section K Exemption for Patrol Division of LPD, Reallocation of Fire Department Position to Ambulance Fund & Freeze of vacant Dispatcher Position
- Option E – Section K Exemption for Patrol Division of LPD, Reallocation of Fire Department Position to Ambulance Fund, Freeze of vacant Dispatcher position, and Freeze of one vacant Police patrol position

- Option F – Section K Exemption for Patrol Division of LPD, Reallocation of Fire Department Position to Ambulance Fund, Freeze of vacant Dispatcher Position, and Freeze of two vacant Police patrol position.

Commissioners and Staff discussed considering freeze on Youth Center position, competitive police wages with other municipalities, and vacant positions issues. Commissioner Trujillo so moved to amend his motion to consider Option D, Approval of expenditure reduction measures; Commissioner Butcher seconded. There being no further discussion, Mayor Campos called for a vote. Motion carried unanimously.

Consider Resolution 2016-96: Purchase of Real Property near the intersection of 17th and Avenue D for drainage and quality of life improvements: Mayor Campos called for a motion. Commissioner Sanchez so moved to consider Resolution 2016-96: Purchase of Real Property near the intersection of 17th and Avenue D for drainage and quality of life improvements; Commissioner Butcher seconded. City Manager Williams addressed Commissioners of the need for one acre drainage component for the 17th Street reconstruction project; after speaking with the engineers, City of Lovington has identified a 15.22 acre tract of land to purchase from Lea County Electric. This property is located on 17th Street, on the north side of the Lovington Inn. City Manager Williams stated the Capital Improvement Fund will be utilized to fund the project, which will have no impact to the General Fund; Sports Multi-Plex project is listed on the ICIP. Resolution 2016-96 will authorize the purchase of land based on the appraised value of \$132,000. There being no further discussion, Mayor Campos called for a vote. Motion carried unanimously.

Consider Resolution 2016-97: Approval of Street Closure Permit – Halloween on the Plaza October 31, 2016: Mayor Campos called for a motion. Commissioner Gandy so moved to consider Resolution 2016-97: Approval of Street Closure Permit – Halloween on the Plaza October 31, 2016; Commissioner Trujillo seconded. City Manager Williams informed Commissioners of Lovington MainStreet Halloween on the Plaza event temporary closure of a portion of Love Street and Central Avenue, on October 31, 2016. There being no further discussion, Mayor Campos called for a vote. Motion carried unanimously.

Consider Lodgers Tax Funding Recommendations: Mayor Campos called for a motion. Commissioner Butcher so moved to consider Lodgers Tax Funding Recommendation; Commissioner Sanchez seconded. City Manager Williams addressed Commissioners of approving the following 9 event funding recommendations from the Lodgers Tax Board meeting on September 27, 2016 for the fourth quarter:

Wildbunch Softball – 7 th Annual Wildbunch Fall	\$	2,420.79
Lovington Main Street – Halloween on the Plaza	\$	1,498.86
Lovington Main Street – Holiday Shop Local Campaign	\$	2,256.35
Farmers Market – Downtown Farmers Market	\$	4,007.86
Lea County Museum - #1 Agricultural Coop. Ext. Service	\$	844.89

Lea County Museum - #2 Agricultural Coop. Ext. Service	\$	776.20
Lea County Museum – Jeff Berg Lecture	\$	494.49
Lea County Museum – Halloween & Christmas at the Museum	\$	494.49
Lea County Museum – Sports Hall of Fame Induction	\$	1,119.65

TOTAL: \$ 13,913.56

City Manager Williams explained to Commissioners of the estimated funding available and remaining for the quarter. There being no further discussion, Mayor Campos called for a vote. Motion carried unanimously.

Consider Award of Cemetery Internment Services: Mayor Campos called for a motion. Commissioner Butcher so moved to consider Award of Cemetery Internment Services to D&T Backhoe, Inc; Commissioner Sanchez seconded. City Manager Williams stated only one bid was received on October 4, 2016 at 10:00 a.m. for Cemetery Interment Services for a 3 year contract from D&T Backhoe, Inc. The following prices for the following, including vault:

- Baby Interment: \$150.00
- Regular Interment: \$400.00
- Cremation Interment: \$150.00
- Indigent Interment: \$400.00
- Holiday: \$500.00 additional
- Exhumation and re-internment at same location: \$1,000.00

There being no further discussion, Mayor Campos called for a vote. Motion carried unanimously.

Consider Award of Street Department and Convenience Station fence: Mayor Campos called for a motion. Commissioner Trujillo so moved to consider Award of Street Department and Convenience Station fence; Commissioner Butcher seconded. Public Works Director Duncan stated staff prepared and advertised a request for sealed bids for the installation of a metal fence around the Street Yard and Convenience Station; on October 4, 2016 at 10:00 a.m. bids were opened, bids received were:

- All Rite Construction, Inc. - \$71,000.00
- Apache Construction Co, dba Valley Fence Company - \$90,279.00
- Enchantment Fences, LLC - \$122,267.00

Public Works Director stated construction company will be working on installation, labor, and concrete gutter weight at the bottom; some material is already bought from the previous fiscal year. Public Works Director stated there is not enough personnel to install the fence and the 220 feet of fencing will be installed in phases. Funding will be utilized from the Solid Waste Fund; expenses for this project will not have an impact on the General Fund. Commissioner Trujillo so moved to amend motion to accept All Rite Construction; Commissioner Sanchez so moved. There being no further discussion, Mayor Campos called for a vote. Motion carried unanimously.

Consider Approval of Accounts Payable: Mayor Campos called for a motion. Commissioner Sanchez so moved to approve the accounts payable; Commissioner Butcher second. There being no further discussion, Mayor Campos called for a vote. Motion carried unanimously.

ADJOURNMENT: There being no further business, Mayor Campos adjourned the meeting at 6:25 p.m.

APPROVED: _____
PAUL CAMPOS, MAYOR

ATTEST: _____
CAROL ANN HOGUE, CITY CLERK