

Work Session of the City Council, City of Farmington, New Mexico, held Tuesday, June 21, 2016 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	Sean E. Sharer Gayla A. McCulloch Nate Duckett
ABSENT	Linda G. Rodgers, Councilor

constituting all the members of the Governing Body.

Also present were:

CITY MANAGER	Rob Mayes
CITY ATTORNEY	Jennifer Breakell
DEPUTY CITY CLERK	Andrea Jones

#### EMPLOYEE OF THE MONTH PROGRAM AWARD

Employee Council President Kathy Farley recognized Detective Jesse Griggs as the Employee of the Month award recipient for April 2016. Mr. Griggs was presented with a plaque, lunch bag and gift certificate and the Mayor and Council expressed their appreciation for his dedication to the City.

#### PROPOSED CAPITAL PROJECTS/2016 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ACTION PLAN

Associate Planner Teri Clashin distributed a revised memorandum to the Council and reminded them that \$239,624 will be available for capital projects beginning October 1, 2016 from the Community Development Block Grant ("CDBG") program. She reported that the suggested projects that are eligible for CDBG funds are the Complete Streets project, land acquisition for a new transit hub and park facilities and sidewalk improvements to comply with the Americans With Disabilities Act ("ADA") requirements and she explained that Councilor Rodgers' suggested sidewalk project along South Bluffview Avenue, Peach Street and Gullede Road is not an eligible project because it is not located within a CDBG targeted neighborhood.

Ms. Clashin explained that the Complete Streets project would require a U.S. Department of Housing and Urban Development ("HUD") Section 108 Loan ("Loan") which would allow the City to apply for up to five times the approved CDBG amount (\$1,843,265) with a maximum repayment period of 20 years. Community Development Director Mary Holton noted that the City can only guarantee up to five years of the loan's debt service with CDBG funds. Mayor Roberts pointed out that \$1.8 million is a significant portion of the estimated \$5-7 million needed for Phase 1 of the Complete Streets project and he briefly reviewed the recent day-long meeting with the New Mexico Historic Preservation Division regarding the project. City Manager Rob Mayes reported that staff will need to research the Loan further and provide additional details for Council review.

Following further discussion, it was the consensus of the Council to direct staff to proceed with researching the HUD Section 108 Loan for the Complete Streets project for consideration of inclusion in the 2016 CDBG Action Plan.

#### PRESENTATION/CIVIC CENTER CONCEPTUAL DESIGNS AND COST ESTIMATES

Parks, Recreation & Cultural Affairs Director Cory Styron reviewed the historic background of the Civic Center expansion; reported that community meetings are currently underway; and introduced Sergio Meza and Scott Stafford of Greer Stafford/SJCF Architecture and Dennis Wilkinson of MRWM Landscape Architects.

Utilizing a PowerPoint presentation, Mr. Meza reported that any renovations to the facility will require that the building meet current building code standards which totals an estimated cost of \$4.7 million and he provided an illustration of the Civic Center's existing floor plan. He presented the north expansion option that entails a 5,500 square foot addition to the north side of the facility which would increase the current exhibition hall, extend the hallway and create a new storage space and pointed out that this option would require minimal work to the interior of the building and would increase the exhibition hall seating capacity from 420 to 620. Presenting the south expansion option, Mr. Meza stated that 3,000 square feet would be added to the south side of the facility and would provide two additional meeting rooms with a capacity of 80 people each and a new hallway. Responding to the Mayor's inquiry, Mr. Styron explained that adding the full 5,500 square feet to the south expansion option creates concerns regarding the elevation of the existing grounds and negatively impacts the functionality of the loading dock and kitchen. In response to Mr. Mayes' question, Mr. Meza reported that both options could be added if the funding was available and confirmed that the two options could be planned in phases over a period of time for future implementation.

Continuing with the presentation, Mr. Wilkinson provided an illustration of Concept A of the facility's landscaping which includes blocks of grass, different patterns and colors of concrete, semi-truck and bus parking near the theater and designates the required 16 handicap parking spaces along the west and east sides of the property and he presented an alternate version without the south expansion option that includes a small courtyard and reception area ideal for weddings. He detailed different outdoor use scenarios and an alternate handicap parking lot location and noted that this is considered a "formal" landscaping option. Mr. Wilkinson also presented Concept B, an "informal" landscaping option, which includes free form space, rounded areas of grass, patterned concrete, the same parking locations as detailed in Concept A and an alternate version without the south expansion option similar to Concept A that includes a rounded outdoor reception area and he discussed the plant palette, bollard possibilities and concrete and paver options. In answer to Councilor McCulloch's inquiry, Mr. Styron stated that the existing apple tree is utilized in both of the presented landscaping options.

Responding to Councilor Duckett's questions, Mr. Meza stated that the feedback received so far from the community meetings has been split between the two expansion options with the Farmington Convention and Visitors Bureau favoring the north expansion and he noted that the kitchen will be renovated but not expanded. Mr. Mayes pointed out that it is staff's recommendation to extend the exhibition hall as presented in the north expansion option.

Mayor Roberts expressed his dismay in regards to spending \$4.7 million on the "innards" of the facility and questioned whether any other elements could be added to the exterior of the building to give it a new appearance. In response, Mr. Meza stated that the addition of shade structures, changing the finishes of the building and changing the color palette of the store fronts could alter the overall appearance of the facility without making major alterations. Responding to another question from the Mayor, Mr. Styron reported that staff and the architects would investigate whether the centralized staging area would need to be reconfigured if the exhibition hall is extended in the north expansion option.

Responding to multiple inquiries from Councilor McCulloch, Mr. Styron stated that the total expansion budget is \$10.5 million; noted that \$1 million has been expended on land acquisition and the demolition of existing structures; and confirmed that staff will provide an itemized list of the estimated costs of the various improvements. In addition, Mr. Mayes reiterated that some of the required improvements will be funded through the energy savings performance contract.

Following discussion regarding the feasibility of an expansion on the east side of the facility, it was the consensus of the Council to direct staff to proceed with the north expansion option and the Concept B landscaping. Mr. Styron reported that it will take approximately four to six weeks for the architects to make the recommended changes to bring back to the Council for review.

WATER PURCHASE CONTRACT/ANIMAS VALLEY WATER

Public Works Director David Sypher reported that approximately a year ago, prompted by the Gold King Mine incident, the City installed a water supply extension line to the Animas Valley Water ("AVW") system in anticipation of AVW needing or desiring water from the City on an emergency or permanent basis. He briefly reviewed AVW's recent boil water advisories and their inability to provide clean, potable water to their users and stated that San Juan County ("SJC") has declared the situation an emergency. Furthermore, Mr. Sypher reported that AVW has requested a contract with the City to provide bulk water to their distribution system and noted that water has been supplied as of Saturday from the connection and meter located off of Goldenrod Avenue. In response to multiple inquiries by the Mayor, Mr. Sypher stated that OMI has been authorized to assist AVW with their connection to the City's water line and noted that SJC has declined the City's offer to provide additional drinking water stations to the affected users.

AVW General Manager Fred Whistle reported that the system has approximately 1,900 connections which serves close to 6,000 people; stated that 393 households will be served immediately from the recent connection to the City's water supply; explained that AVW fell behind on water storage due to the recent water turbidity; and pointed out that the treatment plant is the failure not the distribution system. In response to Mayor Roberts' inquiry, Mr. Whistle confirmed that it is AVW's intent to abandon its current water treatment plant and pursue a long-term contract with the City to purchase bulk water and reported that the Public Regulation Commission ("PRC") has dictated that \$70,000 annually be invested in system improvements, noting that a new pump station will be construction with the first year's allotment and then lubing water lines, adding valves and looping water lines will follow in subsequent years.

Responding to Councilor Sharer's questions, Mr. Whistle confirmed that residents can and are currently running their evaporative coolers with the contaminated water and stated that it will be 7-10 days before AVW begins pumping bulk water from the City, closes the water treatment plant and flushes all of the contaminated water out of the distribution system. To answer Councilor Duckett's inquiry, Mr. Whistle reported that the PRC dictated that AVW purchase the leased water rights and finalize the cost estimate (purchasing bulk water versus treating water) to implement the approved rates prior to connecting to the City's water system even though the City installed the water line last year. Councilor McCulloch expressed her sincere empathy for the affected users and thanked staff for all of their efforts in assisting AVW during this crisis.

The Mayor asked for comments from members of the audience.

Michael Jackson, 44 Road 3775, questioned whether AVW has sold any of the recently purchased water rights; pointed out that Aspen Management, LLC is not registered to do business in New Mexico according to the New Mexico Secretary of State's website; and stated that the PRC specified AVW's capital outlay of \$80,000 per year for three years. In response to Mr. Jackson's concerns, Mr. Whistle reported that AVW has not sold any water rights and pointed out that it owns twice as many water rights as its distribution system requires, noting that this contract obligates AVW to provide the City assurance in the event that those water rights are ever needed by the City to continue to supply bulk water to AVW. In addition, City Attorney Jennifer Breakell reported that Aspen Management, LLC could be registered as a foreign corporation or have a service individual that is registered with the Secretary of State's office which would not appear on their website and confirmed that the necessary research was performed to ensure the legitimacy and enforceability of the contract with AVW.

Karen Northup, 44 Road 3782, inquired why the City is not purchasing the aforementioned water rights instead of AVW. In response, Mayor Roberts stated that the City does not need those water rights to provide the services of the contract but pointed out that the City has the right to acquire them in the future if needed. Furthermore, he explained that the City cannot compel AVW to sell their water rights when the City does not need them and City Manager Rob Mayes briefly reviewed the process to acquire water rights.

Following brief discussion regarding water rights, Mayor Roberts surmised that there is an unstated sentiment that AVW users would like for the City to acquire the water distribution system but reiterated that the City cannot compel the sale of those assets, but noted that the City is open to these types of discussions.

Thereupon, a motion was made by Councilor McCulloch, seconded by Councilor Duckett to approve the Water Purchase Contract between the City and Animas Valley Water for the supply of water to the Animas Valley Water distribution system, and upon voice vote the motion carried unanimously.

RESOLUTION NO. 2016-1592 REMOVING UNCOLLECTIBLE AND UNSECURED UTILITY ACCOUNTS FROM THE CITY'S LIST OF ACCOUNTS RECEIVABLE

Customer Care Manager Nicki Parks requested adoption of Resolution No. 2016-1592 removing uncollectible and unsecured utility accounts for calendar year 2011 from the City's list of accounts receivable in the amount of \$113,380.13, in accordance with state statutes.

In response to inquiry from Mayor Roberts, Ms. Parks reported that the outside collection agency was able to collect approximately \$2,500 from the 2011 accounts. She pointed out that a fulltime in-house Collections Specialist was added in 2011 and happily reported that this is lowest write-off percentage in 17 years.

Following further consideration, a motion was made by Councilor McCulloch, seconded by Councilor Duckett to adopt Resolution No. 2016-1592 as presented. The roll was called with the following result:

Those voting aye:	Sean E. Sharer Gayla A. McCulloch Nate Duckett
Those voting nay:	None
Those absent:	Linda G. Rodgers

The presiding officer thereupon declared that three Councilors having voted in favor thereof, the said motion carried and Resolution No. 2016-1592 was duly passed and adopted.

RESOLUTION NO. 2016-1593 RATIFYING, CONFIRMING AND ESTABLISHING REGULAR MEETING DAYS, TIMES AND PLACES OF THE VARIOUS COMMISSIONS, BOARDS, PUBLIC BODIES AND THE CITY COUNCIL OF THE CITY OF FARMINGTON IN ACCORDANCE WITH RESOLUTION NO. 2013-1466.

City Attorney Jennifer Breakell requested adoption of Resolution No. 2016-1593 establishing regular meeting days, times and places for the various commissions, boards, public bodies and the City Council.

After brief consideration, a motion was made by Councilor Duckett, seconded by Councilor Sharer to adopt Resolution No. 2016-1593 as presented. The roll was called with the following result:

Those voting aye:	Sean E. Sharer Gayla A. McCulloch Nate Duckett
Those voting nay:	None
Those absent:	Linda G. Rodgers

The presiding officer thereupon declared that three Councilors having voted in favor thereof, the said motion carried and Resolution No. 2016-1593 was duly passed and adopted.

CLOSED MEETING

A motion was made by Councilor McCulloch, seconded by Councilor Duckett to close the meeting to discuss request for proposals for the Community Development Block Grant (CDBG) 2016 Annual Action Plan for public services projects, pursuant to Section 10-15-1H(6) NMSA 1978. The roll was called with the following result:

Those voting aye: Sean E. Sharer  
Gayla A. McCulloch  
Nate Duckett

Those voting nay: None

Those absent: Linda G. Rodgers

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

The Mayor convened the closed meeting at 11:14 a.m. with Councilors Sharer, McCulloch and Duckett 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 Duckett, seconded by Councilor McCulloch to open the meeting. The roll was called with the following result:

Those voting aye: Sean E. Sharer  
Gayla A. McCulloch  
Nate Duckett

Those voting nay: None

Those absent: Linda G. Rodgers

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

The open meeting was reconvened by the Mayor at 11:32 a.m. with Councilors Sharer, McCulloch and Duckett being present.

REQUEST FOR PROPOSALS FOR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)  
2016 ANNUAL ACTION PLAN PUBLIC SERVICE PROJECTS

Chief Procurement Officer Kristi Benson announced that proposals for the Community Development Block Grant ("CDBG") 2016 Annual Action Plan for public service projects opened on May 17, 2016 with eight offerors participating and noted that presentations were held before the Council on June 14, 2016. She reported that there is \$55,297 available to fund public service contracts and pointed out that the service providers have requested a total of \$80,416.33. She requested direction from the Council on how to proceed with awarding the contracts.

Referring to a memorandum he previously submitted to the Council, Mayor Roberts explained that he is recommending that Big Brothers Big Sisters of Central New Mexico, People Assisting the Homeless (PATH) and San Juan County Partnership each receive \$9,000; Navajo United Methodist Center, Northwest New Mexico Seniors, Inc. and San Juan College Daycare each receive \$7,000; Frontline Mission, Inc. receive \$4,000; and Identity, Inc. receive \$3,297 for a total award amount of \$55,297. Mayor Roberts explained that the scores from the evaluation committee were the starting point for his recommended allocations and stated that he believes that this follows the process implemented last year.

There being no further discussion, a motion was made by Councilor McCulloch, seconded by Councilor Duckett to grant \$9,000 to Big Brothers Big Sisters of Central New Mexico, People Assisting the Homeless, Inc. (PATH) and San Juan County Partnership; \$7,000 to Navajo United Methodist Center, Northwest New Mexico Seniors, Inc. and San Juan College Daycare; \$4,000 to Frontline Mission, Inc.; and \$3,297 to Identity, Inc. The roll was called with the following result:

Those voting aye: Sean E. Sharer  
Gayla A. McCulloch  
Nate Duckett

Those voting nay: none

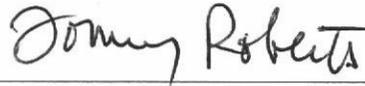
Those absent: Linda G. Rodgers

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

At the request of Mayor Roberts, it was the consensus of the Council to direct staff to provide constructive feedback to the offerors to assist them with improved proposals and presentations in the future.

There being no further business to come before the Council, the meeting was adjourned at 11:39 a.m.

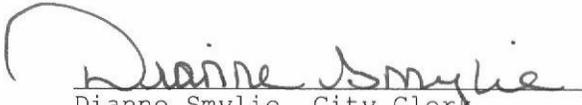
APPROVED this 12<sup>th</sup> day of July, 2016.



Tommy Roberts, Mayor

SEAL

ATTEST:

  
Dianne Smylie, City Clerk