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- A. Minutes of Previous Meeting(s):
 - 1. Regular Meeting of November 18, 2014.
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- C. Public Hearing – Transfer of Ownership of an Inter Local Liquor License for Cattle Baron Restaurants, Inc.:
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 - 2. Action to close the public hearing.
 - 3. Action on the Transfer of Ownership.
- D. Resolution #14-15-12, A Resolution Authorizing the Mayor to Sign the EMS Fund Act Grant Application with the New Mexico Department of Health Emergency Medical Services Bureau.
- E. Item(s) from the Economic Development Finance Committee:
 - 1. Recommendation for Funding Request by Tierra Realty Trust LLC for the Project to Refurbish and Renovate the Portales Inn.
 - 2. Project Participation Agreement between the City of Portales and Tierra Realty Trust, LLC.
 - 3. Resolution #14-15-13, A Resolution Confirming an Intention to Transfer the Building Formerly known as the Portales Inn and the Adjacent Parking Lot to Tierra Realty Trust, LLC.
- F. Request to Authorize a Contract to Sell Real Estate to Southwestern Public Service Company, a New Mexico Corporation for “5.00 Acres Lying in the Northeastern Quarter (NE/4), Section 4, Township 2 South, Range 34 East, N.M.P.M., Roosevelt County, New Mexico” (in Industrial Park).
- G. Approval of Land Transfer to Elida Pump Station.
- H. Code Enforcement Issue: 824 E. Elbe
- I. Request by Curry County for a Resolution of the City Council Seeking Support for an Amendment to the Eastern New Mexico Water Utility Authority Act to Allow for Alternate Board Members to be appointed by Participating Entities.
- J. Public Hearing on Ordinance No. 713, an Ordinance Amending, Deleting and Replacing Section 5-7, Consumption in Public, Chapter 5, (Section 1 of Ordinance No. 129 of the City of Portales, New Mexico). This Chapter is known as and cited as “Alcoholic Beverages:”
 - 1. Action to enter into Public Hearing to Receive Comments.
 - 2. Action to close the public hearing.
 - 3. Action on Ordinance No. 713.
- K. Adoption of Final Draft of Water Conservation Plan for Grant Requirement.
- L. Other Business/Citizens to be Heard.

THE CITY COUNCIL OF THE CITY OF PORTALES met in regular session Tuesday, December 16, 2014, at 6:30 p.m., in the Council Chambers at the Memorial Building, 200 E. 7th Street, Portales, NM in full conformity with the rules and regulations. Mayor King called the meeting to order and asked City Clerk Martinez-Terry to call roll. Those present and constituting a quorum were:

MAYOR: Sharon L. King

MAYOR PRO-TEM: Michael G. Miller

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| COUNCIL MEMBERS: | Matthew Tod Hunton | Oscar H. Robinson |
| | Leo Lovett (absent) | Antonio O. Salguero (absent) |
| | Lenard Michael Lucero (absent) | Keith A. Thomas |
| | Dianne Y. Parker | |

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| STAFF PRESENT: | Doug Redmond, City Manager | Marilyn Rapp, Finance Director |
| | Joan Martinez-Terry, City Clerk | Randy Knudson, City Attorney |
| | Marta Quiroz, Admin. Secretary | Sammy Standefer, Planning Director |
| | Christine Mitchell, I.T. Technician | |

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| OTHERS PRESENT: | Rick White, Press | Amelia Redmond |
| | Owen Pierce | Stan Livengood, RCCDC Exec. Dir. |

the motion. All Councilors present voted in favor of the motion. No abstentions. Motion carried.

(C) PUBLIC HEARING – TRANSFER OF OWNERSHIP OF AN INTER LOCAL LIQUOR LICENSE FOR CATTLE BARON RESTAURANTS, INC.

1. Action to Enter into Public Hearing.

Mayor King asked for a motion to enter into public hearing for the Transfer of Ownership of an Inter Local Liquor License for Cattle Baron Restaurants, Inc. *Mayor Pro-Tem Miller made the motion to enter into public hearing for the transfer of ownership of the liquor license for Cattle Baron Restaurants. Councilor Thomas seconded the motion. All Councilors present voted in favor of the motion. No abstentions. Motion carried.*

Mayor King asked for comments from those present at the meeting. Mariposa Padilla Sivage, representing Sutin, Thayer & Brown, asked the Council for consideration for the transfer of the ownership for the liquor license for local Cattle Baron Restaurant. She commented that the corporation is adding new owners upon the settling of Jeff Wilson's estate, and that there is no anticipated change to the restaurant. She asked for questions. Mayor King asked for comments from the public. There were no further comments.

2. Action to close the Public Hearing.

Mayor King asked for a motion to close the public hearing. *Mayor Pro-Tem Miller made the motion to close the public hearing. Councilor Thomas seconded the motion. All Councilors present voted in favor of the motion. No abstentions. Motion carried.*

3. Action on the Transfer of Ownership.

Mayor King asked for action on the transfer of ownership of the inter local liquor license for Cattle Baron Restaurants, Inc. *Mayor Pro-Tem Miller made the motion to approve the transfer of ownership of the liquor license for Cattle Baron Restaurants. Councilor Thomas seconded the motion. All Councilors present voted in favor of the motion. No abstentions. Motion carried.*

(D) RESOLUTION #14-15-12, A RESOLUTION AUTHORIZING THE MAYOR TO SIGN THE EMS FUND ACT GRANT APPLICATION WITH THE NEW MEXICO DEPARTMENT OF HEALTH EMERGENCY MEDICAL SERVICES BUREAU

Mayor King asked Fire Chief Nuckols to present the resolution authorizing the signature of the EMS Fund Act Grant application with the NM Department of Health Emergency Medical Services Bureau. Chief Nuckols told the Council that this is an annual grant application for the Fire Department. He stated that the Department receives this allotment based on the level of service, call volume and population based on their formula funding through the EMS Bureau. The amount of the application for funding for FY 2016 is \$55,000.00. Chief Nuckols told the Council that the amount the Department is anticipated to receive is between \$15,000.00 and \$20,000.00 annually. He told the Council that the amount received from the last grant cycle was \$19,499.00 that was used for matching funds to remount an ambulance and for training and EMS supplies. He told the Council that he hoped that the 2016 amount would be close to the previous amount received. He asked for adoption of the resolution. Mayor King asked the pleasure of the Council. *Councilor Thomas made the motion to adopt Resolution #14-15-12, authorizing the Mayor to sign the grant application to the NMDOH EMS Bureau. Councilor Parker seconded the motion. Roll call vote by all Councilors present resulted in unanimous support of the motion. No abstentions. Motion carried.*

(E) ITEM(S) FROM THE ECONOMIC DEVELOPMENT FINANCE COMMITTEE:**1. Recommendation for Funding Request by Tierra Realty Trust, LLC for the Project to Refurbish and Renovate the Portales Inn.**

Mayor King asked for presentation of the recommendation for funding by Stan Livengood. City Attorney Knudson asked that the Council delete this item and go right to the Project Participation for Funding.

2. Project Participation Agreement between the City of Portales and Tierra Realty Trust, LLC.

Mayor King asked for presentation by Mr. Stan Livengood of the Project Participation Agreement in the amount of \$350,000.00 between the City of Portales and Tierra Realty Trust, LLC. Mr. Livengood told the Council that Tierra Realty Trust, LLC proposed to use government low-income tax credits for the project to refurbish and renovate the Portales Inn with 60 units, and to build two (2) separate units—eight 1-bedroom apartments, forty-six 2-bedroom apartments and six 3-bedroom apartments. He stated that this is a 12.7 million dollar construction project and that it would create \$300,000.00 in direct revenue from that construction of the project. He stated that this would make the Portales Inn usable again. He stated that it is deteriorating in the downtown area. Mr. Livengood added that it would help bring people into the downtown area to continue the redevelopment of Downtown Portales. Randy Knudson told the Council that the project participation agreement is contingent upon, and subject to, funding by the NM Mortgage Finance Authority. He added that Steve Crozier, developer, would get points for leveraging from the City of Portales, and that the City is not out any money until the project is complete. Councilor Thomas expressed concern that, if the Portales Inn was not re-purposed, it would eventually have to be torn down at a high cost to the City. He said he supported the project. Councilor Parker asked if the term “low-income tax credits” means that the project would be a low income project. City Attorney Knudson responded that 60% of the units would be low income units. Mayor Pro-Tem Miller asked what kind of rental rates would be charged at 60%. Mr. Livengood said that it would be on a sliding scale depending on the number of people in a unit. Mayor Pro-Tem Miller asked again for an estimate of rates. Mr. Livengood guessed that it would be \$500.00 a month for those qualifying. Councilor Hunton asked for clarification from City Attorney Knudson regarding tenants for the Portales Inn. He asked if it was the same as the last time that the tenants had to have proof of a job. City Attorney Knudson responded that it is affordable housing, not low income. He commented that the types of people who would qualify for these apartments such as college students, people from CAFB, a younger crowd that these units would attract. Councilor Hunton stated that this is what he had understood, because everyone winces when the term low income is used. Mayor Pro-Tem Miller stated that it isn't low income per se but that the 60% annual median income level must be met. He added that the annual median income moves year to year. Mayor King asked for questions. Mayor King asked the pleasure of the Council. ***Councilor Thomas made the motion to approve the Project Participation Agreement with Tierra Realty Trust, LLC. Councilor Parker seconded the motion. All Councilors present voted in favor of the motion. No abstentions. Motion carried.***

3. Resolution #14-15-13, A Resolution Confirming an Intention to Transfer the Building Formerly known as the Portales Inn and the Adjacent Parking Lot to Tierra Realty Trust, LLC.

Mayor King asked for adoption of Resolution #14-15-13, confirming intent to transfer the building formerly known as the Portales Inn to Tierra Realty Trust, LLC. City Attorney Knudson commented that this issue came to the Council last year for transfer of the Portales Inn and that it would be contingent upon funding by the NM Mortgage Finance Authority. Councilor Robinson asked for confirmation that this action is legal through state law. City Attorney Knudson assured the Council that this action is legal per the state

Affordable Housing act and the City's ordinance. Mayor King commented that Tierra Realty Trust, LLC has entered into agreement with Justus Realty and across 3rd Street with Gaylen Cowen for property adjacent to the Portales Inn for further development. When asked about liens filed on the facility, City Attorney Knudson stated that Mr. Crozier, Tierra Realty Trust, LLC, must satisfy those liens. Mayor King asked the pleasure of the Council. ***Councilor Thomas made the motion to adopt Resolution #14-15-13, confirming intent to transfer the Portales Inn building to Tierra Realty Trust, LLC contingent upon funding. Councilor Parker seconded the motion. Roll call vote by all Councilors present resulted in unanimous support of the motion. No abstentions. Motion carried.***

(F) REQUEST TO AUTHORIZE A CONTRACT TO SELL REAL ESTATE TO SOUTHWESTERN PUBLIC SERVICE COMPANY, A NEW MEXICO CORPORATION FOR "5.00 ACRES LYING IN THE NORTHEAST QUARTER (NE/4), SECTION 4, TOWNSHIP 2 SOUTH, RANGE 34 EAST, N.M.P.M., ROOSEVELT COUNTY, NEW MEXICO (IN INDUSTRIAL PARK)

Mayor King asked City Manager Redmond to present the request to authorize a contract to sell real estate to Southwestern Public Service Company (SPS) for \$35,000.00. Mr. Redmond told the Council that SPS is working to improve the electrical service to the city and that they have to build a substation for the city and for the Industrial Park to stay 15 to 20 years ahead of the areas electrical needs. He commented that improvement of electrical service was identified in the Industrial Park Master Plan. He asked that the Council approve finalization of the contract. Mayor Pro-Tem Miller asked David Essex of Xcel Energy/SPS what the amount was of their investment in the substation. Mr. Essex responded that it was at least 1 million dollars. Mayor King asked the pleasure of the Council. ***Mayor Pro-Tem Miller made the motion to authorize the contract to sell real estate to Southwestern Public Service as requested. Councilor Parker seconded the motion. All Councilors present voted in favor of the motion. No abstentions. Motion carried.***

(G) APPROVAL OF LAND TRANSFER FOR ELIDA PUMP STATION

Mayor King asked for information on the land transfer for the Elida pump station. City Manager Redmond stated that the pump station is necessary to move water to Elida and to the airport and Industrial Park for the Ute Water Project. He stated that it was needed to move water about 21 miles to Elida, and in addition it would help with water pressure to the Industrial Park and the airport. He stated that this was a part of the Industrial Park Master Plan. He added that the ENMRWA ("the Authority") will be responsible to build the pump station, but need property to place it upon. He asked for direction from the Council for how they want a lease to be drawn up by the City Attorneys. Mayor King said that she had put it on the agenda in a hurry because the ENMRWA needs to have some kind of agreement with the City so they can move forward on their plans. Mayor King said that it doesn't have to be a transfer; it can be a lease or easement. She asked that it be approved in some form. Mayor Pro-Tem Miller asked if the agreement is a lease, will it be in-kind for perpetuity. City Attorney Knudson commented that a lease could be any number of ways. He stated that he was not sure what type of agreement would be best. He recommended an escape clause be included in any agreement developed. Mayor Pro-Tem Miller said that he would support a 99-year lease, since it would benefit the City. City Manager Redmond commented that it would have to be at least a 25-year lease for funding under the Water Trust Board. Councilor Thomas stated that he would like to see the City move forward with an agreement as long as it will satisfy government standards. He stated he was asking the Council to give the City Attorneys and City Manager permission to move forward with an agreement for the pump station. Mayor Pro-Tem Miller asked that the action state that the agreement be granted with the consideration being the fact that the City gets to use the pump station, that there be an escape clause and that the lease be for a minimum of 25 years with a renewal at the end of 25 years. Councilor Thomas stated that it not be too specific to allow the City Attorneys and City Manager the flexibility to develop the instrument as necessary. Councilor Hunton asked, if there is an escape clause, would it benefit or hurt to make the agreement for 50 or more years. City Manager Redmond responded that he

would prefer that the agreement be for the minimum amount of time. Councilor Robinson asked Mr. Redmond about another option such as granting an easement to Elida or to "the Authority." Mr. Redmond responded that there may be a need later on for one for the lines on the City's property. He added that there is a utility right-of-way there and that depending on the design of the pipeline, the City may not have to grant an easement. He stated that the issue tonight is the location of the pump station. Mayor Pro-Tem Miller asked the Mayor if this needs to be done at this meeting, or does the Council have time for it to come back. Mayor King responded that it could come back the first meeting in January, but that "the Authority" really needs to proceed. City Attorney Knudson commented that the Council action should be that they are in agreement in principal because any agreement must come back to the Council for action. Mayor King asked the pleasure of the Council. ***Councilor Thomas made the motion to authorize an agreement in principal to come back before the Council for approval. Mayor Pro-Tem Miller seconded the motion. All Councilors present voted in favor of the motion. No abstentions. Motion carried.***

(H) CODE ENFORCEMENT ISSUE: 824 E. ELBE

Mayor King asked Planning Director Standefer to present the code enforcement issue. Mr. Standefer told the Council that the Code Enforcement staff obtained a judgment in October to remedy the dangerous conditions at 820 E. Elbe. Standefer reported that it was impossible to begin abatement of the conditions because of the abandoned vehicles and rubbish from the adjacent property at 824 E. Elbe. The conditions at 824 E. Elbe not only impedes the work to be done at 820 E. Elbe, but is also in violation of numerous codes. City Staff and City Attorneys have proceeded to notify the property owners of the violations, but have still not made contact with the owners nor have seen any attempt to remedy the conditions at 824 E. Elbe. Councilor Robinson commented that Councilor Salguero would be pleased to hear that the City is working at getting that property cleaned up. Standefer asked that the Council authorize legal proceedings to be filed against this property to abate the nuisances, abandoned vehicles, weeds and any and all other items that create a public nuisance on this property. ***Councilor Robinson made the motion to authorize legal proceedings to be filed against 824 E. Elbe to abate the nuisances as presented by Planning Director Standefer. Councilor Parker seconded the motion. All Councilors present voted in favor of the motion. No abstentions. Motion carried.***

(I) REQUEST BY CURRY COUNTY FOR A RESOLUTION OF THE CITY COUNCIL SEEKING SUPPORT FOR AN AMENDMENT TO THE EASTERN NEW MEXICO WATER UTILITY AUTHORITY ACT TO ALLOW FOR ALTERNATE BOARD MEMBERS TO BE APPOINTED BY THE PARTICIPATING ENTITIES

Mayor King asked for input from the Council regarding the requested resolution of support by Curry County for an amendment to the ENMWUA Act to allow for alternate board members to be appointed by the participating entities. Mayor King recommended that such a resolution not be adopted—she added that it is a controversial issue. Councilor Hunton restated the action requested—that the board would have alternate members. He commented that the board members have to be on their game to keep up with activities of the Authority. He stated that he felt that alternates would be virtually useless. Councilor Thomas commented that he personally doesn't support the request. Councilor Hunton agreed with Councilor Thomas comment. Mayor Pro-Tem Miller said that he agreed, but that he believed that most authorities are elected and would like to see the ENMWUA members elected instead of appointed. He added that he would like to see more accountability. Mayor King disagreed that most authorities are elected. Councilor Robinson commented that if the Mayor and Councilor Lovett cannot attend a meeting, they can participate telephonically, and stated that he sees no need for alternates. The Council discussed the request and a motion. Mayor King asked the pleasure of the Council. ***Councilor Robinson made the motion to table the request by Curry County for a resolution supporting the amendment to the ENMWUA Act as presented. Councilor Parker seconded the motion. All Councilors present voted in favor of the motion. No abstentions. Motion carried.***

(J) PUBLIC HEARING ON ORDINANCE NO. 713, AN ORDINANCE AMENDING, DELETING AND REPLACING SECTION 5-7, CONSUMPTION IN PUBLIC, CHAPTER 5, (SECTION 1 OF ORDINANCE NO. 129 OF THE CITY OF PORTALES, NEW MEXICO. THIS CHAPTER IS KNOWN AS, AND CITED AS, "ALCOHOLIC BEVERAGES."

1. Action to enter into Public Hearing to Receive Comments.

Mayor King asked for a motion to enter into public hearing on Ordinance No. 713, amending, deleting and replacing Section 5-7, Consumption in Public, Chapter 5, (Section 1 of Ordinance No. 129 of the City of Portales, New Mexico. This Chapter is known as, and cited as, "Alcoholic Beverages." *Councilor Parker made the motion to enter into public hearing to receive comments on Ordinance No. 713. Councilor Thomas seconded the motion. All Councilors present voted in favor of the motion. No abstentions. Motion carried.*

Mayor King asked for comments on the ordinance. City Attorney Knudson explained that the ordinance is a proactive effort to move forward on the governmental liquor license for the City's Yam Theatre. He commented that the ordinance creates an exception to the ordinance allowing the serving of alcohol for those having a liquor license.

2. Action to close the public hearing.

Mayor King asked for a motion to close the public hearing. *Mayor Pro-Tem Miller made the motion to close the public hearing to receive comments on Ordinance No. 713. Councilor Thomas seconded the motion. All Councilors present voted in favor of the motion. No abstentions. Motion carried.*

3. Action on Ordinance No. 713.

Mayor King asked for action on Ordinance No. 713. *Mayor Pro-Tem Miller made the motion to adopt Ordinance No. 713, amending, deleting and replacing Section 5-7, Consumption in Public, Chapter 5, (Section 1 of Ordinance No. 129 of the City of Portales, New Mexico). Councilor Thomas seconded the motion. Roll call vote of all Councilors present resulted in unanimous approval of the motion. No abstentions. Motion carried.*

(K) ADOPTION OF FINAL DRAFT OF WATER CONSERVATION PLAN FOR GRANT REQUIREMENT

Mayor King asked City Manager Redmond to present the request to adopt the final draft of the Water Conservation Plan. Mr. Redmond told the Council that the draft of the Water Conservation Plan was presented by Dr. Charles Wilson at a previous Council meeting. He added that adoption of the conservation plan is a requirement for obtaining funds from the Water Trust Board. He asked for adoption of the Water Conservation Plan. *Councilor Thomas made the motion to adopt the final draft of the Water Conservation Plan as presented. Mayor Pro-Tem Miller seconded the motion. All Councilors present voted in favor of the motion. No abstentions. Motion carried.*

(L) OTHER BUSINESS/CITIZENS TO BE HEARD

Mayor King asked for items of Other Business.

Suggestion regarding Assistant City Manager: Councilor Thomas suggested that duties be added to someone currently on staff. Councilor Hunton suggested that this issue be placed on the agenda for a Council Retreat.

Discussion on Setting a Council Retreat: Mayor King asked Mayor Pro-Tem Miller if there would be a possibility for him to attend a retreat, to which Miller responded by suggesting it be held on a Saturday. Mayor King asked the Council look at their calendars about scheduling a retreat in Roswell or Santa Fe. Mayor Pro-Tem Miller suggested Santa Fe on January 9th and 10th, a Friday and Saturday. Mayor King asked that details be given to the City Manager for scheduling it.

Ribbon Cutting for State Highway Project: Councilor Robinson asked if there were any plans for a ribbon cutting or some kind of celebration for completion of the State Highway project. City Manager Redmond responded that perhaps the Chamber would work on something.

Water Rates and Town Hall Meeting: Mayor King suggested that the Town Hall meeting be held on a regular Council meeting date – Tuesday, January 6th at 5:30 p.m. in the auditorium here at Memorial Building.

Best Wishes for Christmas and New Year: Mayor Pro-Tem Miller wished everyone a good Christmas and New Year.

Lights on U.S. 70: Councilor Parker asked about the street lights being on during the day on U.S. 70. City Manager Redmond responded that the state is working on them. Councilor Parker asked if the street lights by ENMU are being worked on also. Mr. Redmond responded affirmatively.

ENMWUA Meeting Scheduled: City Manager Redmond reminded the Council that the ENMWUA will meet on Thursday, December 18, 2014, at 10 a.m. here in Portales.

Report on Gross Receipts Tax (GRT): City Manager Redmond reported that the GRT for November 2014 was above \$200,000.00.

Request/Complaint on Fire Hydrant: Owen Pierce, resident of Yucca Heights, said that a fire hydrant is missing at the corner of Yucca and Avenue G. He stated his concerns about the missing hydrant. Councilor Thomas responded that he was partially to blame about the missing hydrant. He commented that the fire hydrant was leaking and that a better hydrant would go back in its place. City Manager Redmond reported that it was tapped onto a 4-inch line and that it would now be on a 6-inch line and will be relocated to the corner.

ADJOURNMENT:

Mayor King adjourned the meeting at 7:55 p.m.

Joan Martinez-Terry, City Clerk