

**TABLE OF CONTENTS FOR COUNCIL MEETING HELD AUGUST 18, 2015:**

- A. Minutes of Previous Meeting(s):
  - 1. Regular Meeting of July 28, 2015.
- B. Ratification of Finance Department's Actions on Bills for July 2015.
- C. Roosevelt County Community Development Corporation (RCCDC) Quarterly Report.
- D. Item(s) from the Public Works Department:
  - 1. Resolution #16-16-12, Authorizing the Mayor or Designee to Sign Cooperative Agreement SP-2-16(921) with NMDOT for FY 2015-2016 Local Government Road Funds.
  - 2. Permission to Contract with Cooperative Educational Services and Engineers, Inc. for a City of Portales Water Asset Management Plan.
  - 3. Resolution #15-16-13, A Resolution Authorizing Submittal of an FY 2017 Application for Section 5311 Rural Public Transit Funding to the New Mexico Department of Transportation.
- E. Resolution #15-16-14, Adoption of FY 2017-2021 Infrastructure Capital Improvements Plan.
- F. Request for Approval of Easement Agreement for 8.8' Encroachment at 1624 S. Avenue B—Owners Eric and Sharon Cathey.
- G. Item(s) for Industrial Revenue Bonds (IRBs) for Dairy Farmers of America (DFA):
  - 1. Resolution #15-16-15, Consenting to Amendment of Assignment of Rights Respecting Lease Agreements entered into Relating to Issuance of IRBs for Dairy Farmers of America (DFA) & its Predecessors in Interest.
  - 2. Assignment and Agreement between Dairy Farmers of America, Inc., PNC Equipment Finance, LLC, and the City of Portales pertaining to the City of Portales IRB.
  - 3. First Amendment to Lease Agreement between the City of Portales, as Landlord, and Dairy Farmers of America, Inc. as tenant, pertaining to the City of Portales IRB.
  - 4. Consent to Assignment of Lease Agreement by the City of Portales, in its capacity as Issuer under the Lease and Issuer of the City of Portales IRB.
- H. Approval of Easement with Eastern New Mexico Water Authority.
- I. Resolution #15-16-16, Resolution of Support and Commitment for Portales MainStreet Program and Approval of the Biennial Memorandum of Understanding (MOU) between the NM MainStreet Program, the City of Portales and the Portales MainStreet Program.
- J. Approval of Contract for Banking Services with US Bank.
- K. Other Business/Citizens to be Heard.
- L. Executive Session/Closed Session:
  - 1. Action to Convene in a Closed Meeting to Discuss Matters as Provided for under New Mexico Statutes Pertaining to Open Meetings Referencing Section 10-15-1 H.(2) for Limited Personnel Matters.
  - 2. Action to convene in Open Meeting.
  - 3. Action as a Result of the Session.

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**THE CITY COUNCIL OF THE CITY OF PORTALES** met in regular session Tuesday, August 18, 2015, at 6:30 p.m., in the Council Chambers of the Memorial Building, 200 E. 7<sup>th</sup> 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

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

STAFF PRESENT: Sammy Standefer, City Manager Marilyn Rapp, Finance Director  
Joan Martinez-Terry, City Clerk Steve Doerr, City Attorney  
Veda Urioste, Deputy City Clerk Donna Rutherford, Interim Planning Dir.  
Christine Mitchell, I.T. Tech Katherine Hall, P.A.T. Coordinator  
Marta Quiroz, Admin. Assistant John DeSha, Public Works Director  
Gary Nuckols, Fire Chief Susan Baysinger, PW Capital Proj. Dir.



**(D) ITEM(S) FROM THE PUBLIC WORKS DEPARTMENT:****1. Resolution #15-16-12, Authorizing the Mayor or Designee to Sign Cooperative Agreement SP-2-16(921) with NMDOT for FY 2015-2016 Local Government Road Funds.**

Mayor King asked Public Works Director DeSha to present Resolution #15-16-12, authorizing the Mayor or the Designee to sign the Coop Agreement with NMDOT for FY 2015-2016—Local Government Road funds. Mr. Desha stated that this is the annual cooperative agreement for funds to rehab more of the City's streets. He told the Council that the amount funded by the NMDOT for FY 2015-2016 is \$48,513.00 with the required City match of 25% of the amount of \$16,171.00. He told the Council that the City's match is made up of in-kind contributions of personnel, equipment and materials. He told the Council that the City will be working on pavement rehab to 2<sup>nd</sup> Street from Globe to Chicago and N. Elgin from 3<sup>rd</sup> Street to Canadian. The work will be standard mill, double penetration chip and seal. Mayor King asked the pleasure of the Council.

***Mayor Pro-Tem Miller made the motion to authorize the Mayor to sign the Cooperative Agreement with NMDOT for FY 2015-2016 Local Government Road Funds as presented. Councilor Hunton seconded the motion. Roll call vote of all Council members present resulted in unanimous support of the motion. No abstentions. Motion carried.***

**2. Permission to Contract with Cooperative Educational Services and Engineers Inc. for a City of Portales Water Asset Management Plan.**

Mayor King asked Mr. DeSha to present the request to contract with CES and Engineers Inc. for a City of Portales Water Asset Management Plan. John Desha reported that the contract is with Engineers Inc. to perform a Water Asset Management plan for the City of Portales. He commented that Engineers Inc. has been doing quite a few of these. He told the Council that the NM Finance Authority had approved a grant amount of \$37,500.00, which is 75 % of the cost for the asset management plan. He told the Council that the City's match is \$12,500.00 (25%). He reported that the total fee including the NM GRT for the scope of work is \$50,260.87. DeSha asked that the Council grant permission to contract with CES and Engineers Inc. for a City of Portales Water Asset Management Plan. Mayor King asked the pleasure of the Council.

***Councilor Lucero made the motion to approve the contract for the Water Asset Management Plan with CES and Engineers Inc. as presented. Councilor Lovett seconded the motion. All Council members present voted in favor of the motion. No abstentions. Motion carried.***

**3. Resolution #15-16-13, A Resolution Authorizing Submittal of an FY 2017 Application for Section 5311 Rural Public Transit Funding to the New Mexico Department of Transportation (NMDOT).**

Mayor King asked Public Works Director DeSha to present Resolution #15-16-13, authorizing submittal of an FY 2017 application for Section 5311 Rural Public Transit funding to the NMDOT no later than September 4, 2015. He told the Council that the request is for \$146,064.00 in federal funding with a proposed local share of \$105,000.00 for program administration and operating expenses to continue providing this service to the public. Desha told the Council that this is an increase because the amount \$85,000.00 will not cover the program. City Manager Standefer commented that if one of the buses breaks down it will have to be parked. Mr. DeSha commented that the state may cut the program back from the requested amount of \$146,064.00 and that the match will be reduced as well. Mayor Pro-Tem Miller commented that the Council had cut the program back about 8 or 9 years ago due to the match continuing to go up. DeSha commented that the program has been cut back on drivers and the program. Councilor Lucero asked how many people use the bus service. Katherine Hall, P.A.T. Coordinator, responded that the buses pick up over 400 people a month. Councilor Robinson asked about the possibility of raising fees. Councilor Salguero asked if the rates would even out if the City raised fees. Mr. DeSha responded that the amount of the increase would be figured into the amount the program would be allocated, so it would not help. ***Mayor Pro-Tem Miller made the motion to adopt Resolution #15-16-13, approving submittal of the FY 17 application for funding through the NMDOT for Section 5311 Rural Public Transit funding as presented.***

***Councilor Parker seconded the motion. Roll call vote of all Council members present resulted in unanimous support of the motion. No abstentions. Motion carried.***

**(E) RESOLUTION #15-16-14, ADOPTION OF FY 2017-2021 INFRASTRUCTURE CAPITAL IMPROVEMENTS PLAN**

Mayor King asked Susan Baysinger, Public Works Capital Projects Administrator, for presentation of Resolution #15-16-14, Adoption of FY 2017-2021 Infrastructure Capital Improvements Plan (ICIP). Ms. Baysinger gave a brief presentation on the ICIP. She stated that there have been no major revisions since the public hearing. Ms. Baysinger presented a PowerPoint of the ICIP to the Council. She told the Council that the ICIP is a tool to plan for growth. She reviewed the ICIP for the Council. She reported that the top five (5) 2017 ICIP project recommendations were (1) Fire Protection/Water Circulation upgrade; (2) Well field Improvements; (3) new Fire Department Substation; (4) Boston, Avenue I, Lime, Spruce and Avenue K railroad crossings; and (5) purchase of a new loader for the Street Department. In addition to these priorities, the other ICIP project recommendations included the following:

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| 6) Storm Water retention;                                 | 19) Memorial Building Improvements;              |
| 7) Wastewater Reuse Park Improvements;                    | 20) Scales for Convenience Center;               |
| 8) Water Storage System improvements;                     | 21) Portales Water System Imp. Ute Water Supply; |
| 9) Lift Station Rehabilitation;                           | 22) Soccer Complex Improvements;                 |
| 10) Pool Improvements;                                    | 23) Recreation Center Improvements;              |
| 11) Downtown Pedestrian Facilities                        | 24) Downtown Gateway Improvements;               |
| 12) City Hall Improvements;                               | 25) City Park Improvements;                      |
| 13) Senior Center Improvements;                           | 26) Kaywood & Maple Street Drainage Imp.;        |
| 14) 7 <sup>th</sup> & 9 <sup>th</sup> Streets & Drainage; | 27) GIS Network & Hardware Upgrade;              |
| 15) Rotary Park & Ballfield Improvements;                 | 28) Lindsey Park & Ballfield Improvements;       |
| 16) Dispatch Center Upgrades;                             | 29) Industrial Park Improvements;                |
| 17) New Library Roof;                                     | 30) Portales Inn Project;                        |
| 18) New Dump Truck;                                       | 31) Extend/Widen Runway 1-19 &/Taxiway Phase I   |

Ms. Baysinger listed the 2018 recommendations from the PowerPoint as the following:

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| 1) Police Department Vehicles;                         | 8) Buena Vida Park Improvements;              |
| 2) Purchase New Street Sweeper;                        | 9) Morrison Park Improvements;                |
| 3) New Gate House for Convenience Center;              | 10) Vehicle Replacements Parks Dept.          |
| 4) New Garbage Trucks;                                 | 11) Purchase New PATS Paratransit Bus;        |
| 5) Purchase New Class A Pumper Fire Apparatus;         | 12) Extend/Widen Runway 1-19 Taxiway Phase II |
| 6) Cemetery Expansion;                                 | 13) GEO XH 6000 Handheld Purchase;            |
| 7) Fargo, Indio & 2 <sup>nd</sup> Street Improvements; | 14) Kilgore Street & Drainage Improvements    |

Ms. Baysinger listed the 2019 recommendations from the PowerPoint as the following:

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| 1) Portales Police Headquarters;  | 4) Extend/Widen Runway 1-19 Taxiway Phase III; |
| 2) Purchase New Type 1 Ambulance; | 5) Airport Maintenance Facility                |
| 3) New Road Grader;               |  |

Ms. Baysinger listed the 2020 recommendations from the PowerPoint as the following:

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| 1) New Emulsion Tanks;       | 3) Extend/Widen Runway 1-19 Taxiway Phase IV |
| 2) Depot Focus Area Project; |  |

Ms. Baysinger told the Council that the next steps are to adopt Resolution #15-16-14; finalize entry of the capital projects by priority order into the Local Government Capital Outlay web-based system; submit a printed copy of the ICIP and resolution to the State Capital Outlay Unit of DFA by September 2, 2015; and seek funding resources as identified in the ICIP. Mayor asked if we get funded through legislative action, do we have to stick to specific projects or does the City have discretion in projects. Ms. Baysinger responded that it has to be the specific projects. Councilor Robinson expressed concern that the railroad crossings aren't higher in priority ranking regarding the Governor's statement that projects have to be on the ICIP to be funded by the state legislature. Mayor Pro-Tem Miller commented that it doesn't matter if it is in the top 5, the legislators choose the projects, but the Governor may veto. Ms. Baysinger told the Council that most of the point structures for funding require that the projects be on the ICIP. City Manager Standefer asked the Council to talk to Ms. Baysinger or Ms. Weems if they wanted any changes prior to submittal to the State. Mayor King asked the pleasure of the Council. ***Councilor Parker made the motion to adopt Resolution #15-16-14, adopting the 2017-2021 Infrastructure Capital Improvements Plan. Councilor Lucero seconded the motion. Roll call vote of all Council members present resulted in unanimous support of the motion. No abstentions. Motion carried.***

**(F) REQUEST FOR APPROVAL OF EASEMENT AGREEMENT FOR 8.8' ENCROACHMENT AT 1624 S. AVENUE B—OWNERS, ERIC AND SHARON CATHEY**

Mayor King asked Donna Rutherford, Interim Planning Director, to present the request for approval of Easement Agreement for the 8.8' encroachment at 1624 S. Avenue B – owners Eric and Sharon Cathey. Ms. Rutherford stated that the owners are purchasing the property and this is the requirement for the loan. She commented that the encroachment is for a wood/block fence and a corner of the shed that encroaches 8.8 feet (eight feet 8/10th inch) into the city's right of way. She told the Council that they had previously approved an easement agreement at this same location in November of 2006. She asked for approval of the easement agreement. Mayor King asked the pleasure of the Council. ***Councilor Lovett made the motion to approve the easement agreement for the 8.8' encroachment onto City right-of-way at 1624 S. Avenue B as presented. Councilor Lucero seconded the motion. All Council members present voted in favor of the motion. No abstentions. Motion carried.***

**(G) ITEM(S) FOR INDUSTRIAL REVENUE BONDS (IRB) FOR DAIRY FARMERS OF AMERICA (DFA)**

1. **Resolution #15-16-15, Consenting to Amendment of Assignment of Rights Respecting Lease Agreements entered into Relating to Issuance of IRBs for Dairy Farmers of America (DFA) & its Predecessors in Interest.**
2. **Assignment and Agreement to Lease Agreement between Dairy Farmers of America, Inc., PNC Equipment Finance, LLC, and the City of Portales pertaining to the City of Portales IRB.**
3. **First Amendment to Lease Agreement between the City of Portales, as Landlord, and Dairy Farmers of America, Inc. as tenant, pertaining to the City of Portales IRB.**
4. **Consent to Assignment of Lease Agreement by the City of Portales, in its Capacity as Issuer under the Lease and Issuer of the City of Portales IRB.**

Mayor King asked for presentation of Resolution #15-16-15, consenting to amendment of assignment of rights respecting lease agreements entered into relating to issuance of IRBs for DFA and its predecessors in interest. Perry Bendicksen, III, Attorney with Rodey, Dickason, Sloan, Akin & Robb, P.A., representing DFA, said that the resolution approves the 3 (three) documents (items 2, 3 & 4) in the process 1) to allow the assignment and agreement to the lease agreement between DFA, PNC Equipment Finance, LLC and the City; 2) to allow the First Amendment to the lease agreement between the City and DFA pertaining to the IRB; and 3) to consent to assignment of the lease agreement by the City as issuer of the IRB. Bendicksen told

the Council that nothing changes in the IRB and that the action requested is in accordance with state law and have been reviewed by Attorneys Doerr and Groshek. He commented that this is the 3<sup>rd</sup> time these have been brought to the Council and is merely a change as to the lender. He stressed that all that is changing is the lender. Mayor King asked for questions. There being no questions, Mayor King asked the pleasure of the Council. ***Mayor Pro-Tem Miller made the motion to adopt Resolution #15-16-15, Consenting to Amendment of Assignment of Rights Respecting Lease Agreements entered into Relating to Issuance of IRBs for Dairy Farmers of America (DFA) & its Predecessors in Interest. Councilor Lucero seconded the motion. Roll call vote of all Council members present voted in favor of the motion. No abstentions. Motion carried.***

#### **(H) APPROVAL OF EASEMENT WITH EASTERN NEW MEXICO WATER (UTILITY) AUTHORITY**

Mayor King asked for introduction of the easement with ENMWA between Eastern New Mexico Water Utility Authority and the City of Portales. City Manager Standefer stated that there have been issues with some confusion as to ownership of the land in question and that a different agreement has to be developed. The easement with ENMWUA has become a bit cloudy because of the location requested. He added that DFA has expressed concerns and commented that Xcel Energies' line is going through the same area. He stated that City Attorney Doerr had written a letter to the Council that related the participation of the City Manager and both City Attorneys with representatives of SPS/Xcel and DFA. He stated that both SPS/Xcel and DFA expressed concerns with the location of the pump station and that it will be at least 10 days before SPS/Xcel can get back with findings and another month for all parties to work together. City Attorney Doerr commented that SPS/Xcel has a substantial project (\$100,000.00 project) planned for connecting the city. The City Manager and City Attorney talked about moving the location of the pump station to a different location that what is planned. Mayor King stated that this has been difficult and that everyone needs to work on a solution that will satisfy all involved. She added that this part of the Ute Water project has been held up so long that the ENMWUA won't be able to get funding from the Water Trust Board in the future. Councilor Hunton commented that the City needs to work to make sure that everyone is in agreement. Mayor King stated that City Manager Standefer will have some proposals to present to the group. Justin Howalt, Executive Director of ENMWUA, told the Council that time is of the essence, and that the ENMWUA has bid out the project, but have until September 6, 2015 to hold the bids. He suggested that SPS/Xcel move it location and that everyone needs to get together. Mayor King asked that Mr. Howalt be included in the next meeting of the group. Mayor King asked the pleasure of the Council. ***Councilor Lovett made the motion to table the easement until issues are resolved. Councilor Hunton seconded the motion. All Council members present voted in favor of the motion. No abstentions. Motion carried.***

#### **(I) RESOLUTION #15-16-16, RESOLUTION OF SUPPORT AND COMMITMENT FOR PORTALES MAINSTREET PROGRAM AND APPROVAL OF THE BIENNIAL MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE NM MAINSTREET PROGRAM, THE CITY OF PORTALES AND THE PORTALES MAINSTREET PROGRAM.**

Mayor King asked City Manager to present the resolution of support and commitment for Portales MainStreet and approval of the Biennial MOU between the NM MainStreet program, the City of Portales and the PMS program. Mr. Standefer asked that the Council table this item and to authorize presentation of the resolution and MOU at the next Council meeting. Mayor King asked the pleasure of the Council. ***Mayor Pro-Tem Miller made the motion to table Resolution #15-16-16 and MOU as requested. Councilor Hunton seconded the motion. All Council members present voted in favor of the motion. No abstentions. Motion carried.***

**(J) APPROVAL OF CONTRACT FOR BANKING SERVICES WITH US BANK**

Mayor King asked Finance Director Marilyn Rapp for presentation of the contract for banking services with US Bank. Ms. Rapp said it has taken quite some time to get the negotiations concluded and to reach a satisfactory consensus. She asked for questions from the Council. There being no questions, she asked for approval of the contract. Mayor King asked the pleasure of the Council. ***Mayor Pro-Tem Miller made the motion to approve the contract for banking services with US Bank as presented. Councilor Parker seconded the motion. All Council members present voted in favor of the motion. No abstentions. Motion carried.***

**(K) OTHER BUSINESS/CITIZENS TO BE HEARD**

Mayor King asked for items of Other Business.

**Rescheduling of Council Meetings for Month of September 2015:** Mayor King reported that there is a conflict for the first Council meeting in September and that rescheduling will affect the second meeting also. The Council agreed to move their September 2015 meetings to September 8, 2015 and September 22, 2015.

**Question Regarding lights in the downtown:** Councilor Parker asked when the lights in the downtown will be replaced. Public Works Director John DeSha responded that the manufacturer had made concessions with the contractor and can't understand why it hasn't been corrected. Councilor Robinson asked about putting out some kind of notice to the public regarding the lights in the downtown. Alisa Boswell, Editor of the Portales News-Tribune stated that she had put a story in the newspaper that explained the issue. City Manager Standefer commented that he and staff have been attempting to get a response from the State. Mayor Pro-Tem Miller asked for the City Manager to prepare a letter for the Mayor to sign complaining to the District Commissioner. City Manager Standefer stated that he would file a formal complaint.

**Question About Street Repair in Reuse Line Installation:** Councilor Salguero asked about the streets that the contractor is working to put in the reuse line regarding the timeline for repairing the streets. Public Works Director DeSha responded that the entire project will be completed by the end of September. He added that K. Barnett & Sons is the contractor doing the work to repair the streets in the project.

**Question About the Disrepair of N. Main Avenue:** Councilor Hunton asked who was responsible for repairs to N. Main and specifically the spot on N. Main that has a barrel marking a large pothole. City Manager Standefer and Public Works Director DeSha responded that the street is a state highway.

**(L) EXECUTIVE SESSION/CLOSED MEETING:**

- 1. Action to Convene in a Closed Meeting to Discuss Matters as Provided for under New Mexico Statutes Pertaining to Open Meetings Referencing Section 10-15-1 H.(2), for Limited Personnel Matters.**

Mayor King asked for a motion to convene in closed session to discuss matters as provided for under the New Mexico Statutes pertaining to open meetings referencing Section 10-15-1 H.(2), for Limited Personnel Matters. ***Councilor Hunton made the motion to enter into closed session to discuss limited personnel matters. Councilor Salguero seconded the motion. Roll call vote of all Council members present voted in favor of the motion. No abstentions. Motion carried.***

**2. Action to Convene in Open Meeting.**

Mayor King asked for a motion to convene in open session. *Mayor Pro-Tem Miller made the motion to convene in open meeting. Councilor Hunton seconded the motion. All Council members present voted in favor of the motion. No abstentions. Motion carried.*

**3. Action Required as a Result of the Closed Session.**

Mayor King stated that only those items mentioned in the motion to close the session were discussed by the Council. The Mayor asked the pleasure of the Council. *Councilor Lovett made the motion to increase the salary of City Manager Standefer to \$83,000.00 (Eighty Three Thousand Dollars). Councilor Hunton seconded the motion. All Council members present voted in favor of the motion. No abstentions. Motion carried.*

There was no further business.

**ADJOURNMENT:**

Mayor Pro-Tem Miller adjourned the meeting at 8:10 p.m.

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Joan Martinez-Terry, City Clerk