

TABLE OF CONTENTS FOR COUNCIL MEETING HELD MARCH 1, 2016:

- A. Minutes of Previous Meeting(s):
 - 1. Regular Meeting of February 16, 2016.
 - B. Presentation of Certificate Honoring Coach Webb Hutchens by the Fifty-Second Legislature, 2016 Second Session, NM State Senate.
 - C. Presentation of Audit for FY 2014-2015 by Beasley, Mitchell & Co.
 - D. Resolution #15-16-33, 2nd Quarter Budget Adjustments for FY 2015-2016.
 - E. Appointment to Recreational Advisory Board Replacing Representative from Portales Schools.
 - F. Resolution #15-16-34, A Resolution Authorizing the Mayor's Signature to Declare Certain City Property as Surplus; and Sale of Same.
 - G. Requesting Permission to Negotiate Contract for Engineering Consultant for Airport.
 - H. Award of Bid to K. Barnett & Sons, Inc. for Minimum of 1900 Tons 1/2" (one half inch), Cracked Washed Gravel for the Street Department.
 - I. Other Business/Citizens to be heard.
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THE CITY COUNCIL OF THE CITY OF PORTALES met in regular session Tuesday, March 1, 2016, at 6:30 p.m., in the Council Chambers of 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

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

STAFF PRESENT: Sammy Standefer, City Manager John DeSha, Public Works Director
Marilyn Rapp, Finance Director Pat Gallegos, Police Chief
Donna Rutherford, Plan'g Director Marta Quiroz, Admin. Assistant
Christine Mitchell, I.T. Tech. Mike Parkey, General Services Dir.

OTHERS PRESENT: Eamon Scarbrough, Press Alisa Boswell, Press
Senator Stuart Ingle Webb Hutchens
Michael James "Jim" Lucero Dahlia Garcia, Senior Accountant
Michelle Lee Bailey Veronica A. Cordova
Jessica J. Smith

Mayor King asked Susan Baysinger, Public Works Capital Projects Administrator, to give the invocation, and Donna Rutherford, Planning Director, led the Pledge of Allegiance and the Salute to the New Mexico flag.

(A) MINUTES OF PREVIOUS MEETING(S):**1. Regular Meeting of February 16, 2016.**

Mayor King asked the Council to consider the minutes of the Regular Meeting of February 16, 2016. She asked for corrections or action on the minutes. Mayor King asked the pleasure of the Council. ***Councilor Parker made the motion to approve the minutes of the regular meeting of February 16, 2016 as presented. Councilor Hunton seconded the motion. All Council members present voted in favor of the motion. No abstentions. Motion carried.***

(B) PRESENTATION OF CERTIFICATE HONORING COACH WEBB HUTCHENS BY THE FIFTY-SECOND LEGISLATURE, 2016 SECOND SESSION, NM STATE SENATE

Mayor King asked Councilor Hunton to read the Certificate aloud honoring Webb Hutchens. She asked Mr. Webb to come up to the dais to receive the certificate. Councilor Hunton asked the audience to rise. He stated that the fifty-second legislature of the New Mexico State Senate had issued the certificate extending congratulations to Mr. Hutchens for many years of service coaching the young people of Portales and Roosevelt County. The certificate gave a brief synopsis of Coach Webb's career in the area since arriving in Portales in 1976 to attend Eastern New Mexico University. Senator Stuart Ingle came forward to speak about Coach Hutchens praising him for being able to put up with the parents during his 37 year career in coaching adding that the kids loved the Coach. He cited Hutchens' sacrifice with no compensation during these many years and thanked him for his service to the community. Mr. Hutchens talked about the young people that he had coached mentioning a few by name and stated that it has been an honor to coach the young people of Portales. He thanked Senator Ingle.

Mayor King recognized the Boy Scouts present in the room and asked them to stand.

(C) PRESENTATION OF AUDIT FOR FY 2014-2015 BY BEASLEY, MITCHELL & CO.

Mayor King asked Ms. Dahlia Garcia to make the presentation of the audit for 2014-2015 by Beasley, Mitchell & Company. Finance Director Marilyn Rapp came to the podium with Ms. Garcia stating that she would answer questions if needed. Dahlia Garcia told the Council that she was from Beasley, Mitchell & Company stating that her company had performed the fiscal year end June 30, 2015 audit for 2014-2015 for the City. She commented that they had issued 3 different reports with this audit. She stated that the main report of the audit is on the financial statements determining if they were presented fairly. She said that the City received the best opinion it could receive on the financial statements, which is an unmodified opinion. Garcia told the Council that the second report is the internal control report that does not give an opinion but identifies any material weaknesses or significant deficiencies within the City. She stated that there was one material weakness identified as a finding, which was that the data collection form was not filed on time. Another finding was an internal control issue with the City's I.T. program. She stated that the City is required to do a single audit since it received and spent more than half a million dollars in federal money. She commented that this required a risk assessment of a selection from all federal awards. She reported that the one selected was the federal award for the capitalized water project. Garcia told the Council that all was done correctly, but the issue with the 2014 data collection form was that the report was not uploaded to the federal website by the City of Portales nor approved by the predecessor auditor. She reported that it has since been done after the state required that auditor to file the report, so as of today, the City is back in compliance. She stated that the one for the 2015 audit has already been started to be filed but won't be filed until Thursday because the audit needed to be approved. She commented that the finding with the other internal control issue with I.T was that a virus hit the software and one item was not recoverable. She stated that unfortunately that one item was part of their selection in the audit so it could not be overseen.

She reported that this issue has been corrected and new procedures have been put in place to avoid that from happening again. Garcia stated that the findings have been cleared and that she has no reservations that these will happen in the future. She stated that the final report is the single audit report that is required for spending more than a half a million dollars in federal money. She commented that the problem with that one is that once the City received one material finding regardless of what it is, the auditor has to issue a modified opinion. She repeated that the finding was not on how the money was spent, but only on the report that was not submitted in a timely manner. Garcia stated that she does not see this happening again. She asked for questions from the Council. Mayor King asked if the Council needs to accept the audit. Ms. Garcia responded affirmatively. Mayor King asked the pleasure of the Council. ***Councilor Parker made the motion to accept the audit for FY 2014-2015 as presented by Dahlia Garcia, Senior Accountant, Beasley, Mitchell & Company. Councilor Lovett seconded the motion. Roll call vote of all Council members present resulted in unanimous support of the motion. No abstentions. Motion carried.***

(D) RESOLUTION #15-16-33, 2ND QUARTER BUDGET ADJUSTMENTS FOR FY 2015-2016

Mayor King asked Marilyn Rapp, Finance Director, to present Resolution #15-16-33, FY 2015-2016 budget adjustments for the 2nd Quarter of the year. Finance Director Rapp stated that these are simple adjustments and are all within the fund in moving some money to cover extra expenses to correct the I.T. issue. She reported that there was also some transfer of funds for the Recreation Department moving money out of salary into contractual. She stated that in fund 301 the funds were moved to purchase a replacement bucket for the Street Loader and some additional parts for a Street truck. She commented that this was all balanced within the fund. Rapp told the Council that these were brought to the Council so they would know what staff was doing. She stated that she would answer any questions they might have about the budget adjustments. Mayor Pro-Tem Miller told the Mayor that the Finance/Administration Committee had reviewed the budget adjustments at their meeting and had approved recommendation to the Council. Mayor King asked the pleasure of the Council. ***Mayor Pro-Tem Miller made the motion to adopt Resolution #15-16-33, approving the 2nd quarter budget adjustments for FY 2015-2016. Councilor Hunton seconded the motion. Roll call vote of all Council members present resulted in unanimous support of the motion. No abstentions. Motion carried.***

(E) APPOINTMENT TO RECREATIONAL ADVISORY BOARD REPLACING REPRESENTATIVE FROM PORTALES SCHOOLS

Mayor King stated that Mike Rackler has served on the Recreational Advisory Board on behalf of Portales Schools and has resigned. She told the Council that the Schools have appointed Mark Gallegos, Athletic Director to replace Mr. Rackler. Mayor King said that she wholeheartedly supported that appointment and recommends formal appointment of Mr. Gallegos to the Board. Mayor King asked the pleasure of the Council. ***Councilor Robinson made the motion to approve the recommendation to appoint Mark Gallegos to the Recreational Advisory Board to fill the vacancy as recommended. Councilor Hunton seconded the motion. All Council members present voted in favor of the motion. No abstentions. Motion carried.***

(F) RESOLUTION #15-16-34, A RESOLUTION AUTHORIZING THE MAYOR'S SIGNATURE TO DECLARE CERTAIN CITY PROPERTY AS SURPLUS; AND SALE OF SAME

Mayor King asked General Services Director Mike Parkey to present Resolution #15-16-34, declaring certain City property as surplus and authorizing the sale of the property. Mr. Parkey asked the Council to review the attached list of old equipment mostly cars in the Police and an old fire truck in the Fire department. He

commented that this should be a pretty good sale. Parkey asked that Council allow the sale of the items that are on fixed assets and some computers that are not on fixed assets. Councilor Parker asked how often the sales are held—are the sales on a schedule. Mr. Parkey responded that sales are held when there are several vehicles or items that are on fixed assets, not just when there are items to sell like computers and printers. He stated that sale of items are done every two years. Mayor Pro-Tem Miller asked if the sale would be a live auction or on line. Parkey responded that the sale is on line and the City pays 7% on the items sold. He commented that these sales work pretty well. Mayor King asked the pleasure of the Council. ***Councilor Parker made the motion to adopt Resolution #15-16-34, approving the resolution declaring certain City property as surplus and authoring the sale of these items. Councilor Lucero seconded the motion. Roll call vote of all Council members present resulted in unanimous support of the motion. No abstentions. Motion carried.***

(G) REQUESTING PERMISSION TO NEGOTIATE CONTRACT FOR ENGINEERING CONSULTANT FOR AIRPORT

Mayor King asked Carla Weems, Chief Procurement Officer and Mike Parkey, General Services Director, to present the request for permission to negotiate a contract for engineering consultant for the Airport. Ms. Weems told the Council that staff is requesting permission to negotiate with the top firms that submitted proposals. She stated that proposals were requested back on December 20, 2015 and closed on January 13, 2016 with 7 firms submitting proposals. Mayor King asked Mike Parkey for comments. Parkey reminded the Council that it is an FAA requirement that the City go out for engineers every 3 years. He stated that the process requires that the City negotiate with the top ranked firm and, if unsuccessful, then negotiate with the next until they are successful. Mayor King asked the pleasure of the Council ***Councilor Hunton made the motion to grant permission for staff to negotiate a contract for engineering consultant for the Airport. Mayor Pro-Tem Miller seconded the motion. All Council members present voted in favor of the motion. No abstentions. Motion carried.***

(H) AWARD OF BID TO K. BARNETT & SONS, INC. FOR MINIMUM OF 1900 TONS ½" (ONE HALF INCH) CRACKED WASHED GRAVEL FOR THE STREET DEPARTMENT

Mayor King asked for the report on the award of bid for a minimum of 1900 tons of one-half inch cracked washed gravel for the Street Department to K. Barnett & Sons, Inc. Carla Weems, Chief Purchasing Officer, stated that the Invitation to Bid was issued on December 6, 2015 and closed bids on February 2, 2016. She reported that their recommendation is to award the bid to K. Barnett & Sons, Inc. Weems told the Council that their bid was \$46.00 a ton with a resident's preference of 5% bringing bid down to \$43.70. Mayor King asked for comments from John DeSha, Public Works Director. Mr. DeSha told the Council that these bids were considerably higher than the previous year adding that bids in the previous were \$26.00 a ton or so. He stated that the Street Department would take the gravel as far as they could. Mayor Pro-Tem Miller asked if the department was reusing loose gravel in projects. DeSha stated that they were doing so. Councilor Hunton commented that the \$87,500.00 was the amount budgeted in the Street Department for purchase of the gravel. Mayor King asked the pleasure of the Council ***Councilor Parker made the motion to award the bid to K. Barnett & Sons, Inc. for the \$46.00 a ton. Councilor Hunton seconded the motion. All Council members present voted in favor of the motion. No abstentions. Motion carried.***

(I) OTHER BUSINESS/CITIZENS TO BE HEARD

Mayor King asked for comments from the Council, staff and audience.

Announcements of Last Meeting: Councilor Lovett told the Council that this is his last meeting and that he had taken a position with Wells Fargo in El Paso. He stated that it had been a pleasure to serve with this Council. He stated that he wants the City to do well and prays that good decisions will be made by the Council for the City.

Councilor Hunton stated that this is his last meeting also. He said that he had loved serving with the Council. He encouraged everyone to get involved. Mr. Hunton said he was moving $\frac{3}{4}$ of a mile outside the City limits.

Mayor King commented that they have been very congenial to work with on the Council. She thanked both Councilors for their service, not just on this Council but all the other projects in the community.

Reminder of NM Municipal League District IV Meeting: Marta Quiroz, Administrative Assistant, asked that the Councilors let her know if they are planning to attend the District IV meeting.

Eastern in Action Promotion: Katherine Padilla, director, introduced Eastern in Action welcoming the Council to nominate any elderly or disabled citizen for assistance with yard work or any kind of community service done. She told the Council that Eastern in Action facilitates work groups and job sites to provide assistance to the community. She verbally gave the link for the pdf form www.enmu.edu/eajobrequests. Ms. Padilla told the group that the form has instructions for mailing the forms or to hand deliver them. She stated that the deadline is March 25, 2016 by 5:00 p.m. She told the group that the event will be held on April 2, 2015, which is a Saturday. Mayor King has agreed to speak at the kick off and the teams will start at 8:30 a.m. Padilla told the Council that the group provides tools, but that they cannot use power tools. She said that the group wants to thank the City of Portales for having such a great community. The Mayor thanked them for their efforts.

ADJOURNMENT:

There being no further business, Mayor King adjourned the meeting at 7:20 p.m.

Donna J. Rutherford, Minutes Recorder