

**MINUTES OF THE COUNCIL OF THE TOWN OF SILVER CITY
REGULAR COUNCIL MEETING**

Grant County Administration Center, 1400 Hwy 180, Silver City, NM

April 26, 2011, 6:00 PM

Present:

James R. Marshall, Mayor
Cynthia Ann Bettison, District 1
Jamie K. Thomson, District 2
Jose A. Ray, Jr., District 3
Michael S. Morones, District 4

Also Present:

Alex C. Brown, Town Manager - Finance Director
Robert L. Scavron, Town Attorney
Ann L. Mackie, Town Clerk

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE – Mayor Marshall called the meeting to order at 6:03 PM and Councilor Bettison read the Mission Statement.

2. PROCLAMATIONS – Mayor Marshall proclaimed May 3, 2011 as "Children's Mental Health Awareness Day", and presented the proclamation to members of the staff of the Grant County Health Council. Susan Trujillo, Kelsy Waggaman, and Brian Reeves spoke about upcoming events and activities to celebrate the national event to draw attention to the needs of children. Ms. Trujillo thanked the Mayor, Manager Brown, and Police Chief Reynolds for participating in their meetings.

3. CEREMONIES – None.

4. PUBLIC INPUT – Belen de la Garza, owner of Black and Blue Tattoo, commented on a bike and car run and show on May 28th. Alan Mong commented that the problem with ATV's and trash was out of hand on Ursa Major, and that a spark from the ATV's would devastate the neighborhood. He said that he would like the Town to figure out a way to block and close off Ursa Major.

5. COUNCIL COMMENTS – The Council commented on the following: thanks were given for the public input; the racers, sponsors, and visitors were thanked for participating in the Tour of the Gila race event and were asked to enjoy the local restaurants, shops, and galleries; thanks were given to the Town's Recycling Advisory Committee and others that made Earth Day and the e-waste event possible; how the Volunteer Center had an option to secure a 25 fruit tree orchard for the Common Center that would provide fresh fruit to the Grant County Community Food Pantry and the neighborhood of the Common Center at 13th and Corbin, and how citizens could vote for the Volunteer Center by going to www.communitiestakeroot.com; and the Fire Department and Police Departments were thanked for their quick response.

Mayor Marshall commented that he was able to keep track of his many jobs because he was surrounded by good staff. He credited his staff at the Gila Regional Medical Center for doing the work and making him look good. He also commented that he recently had good dialogs with business owners downtown, how he interviewed some extremely happy tourists from Oregon, and how he noticed the frequent patrols of law enforcement downtown and commended the police officers. He said that the people in the Mountain View area also commended the Police Department for the presence that they have had in the fire area. He said that he received a lot of information on what goes on in several neighborhoods and that it was good to hear that people were satisfied to live in this town. He said that overall they were seeing some improvements and that law enforcement and staff were out there working hard. He also welcomed the return of the Tour of the Gila and said they provided a huge benefit to the town in many ways.

6. CHANGES TO THE AGENDA – None.

7. APPROVAL OF THE MINUTES – Regular Meeting, April 12, 2011 – Councilor Bettison made a motion to approve the minutes as presented with minor corrections. Councilor Morones seconded the motion as stated. There was no further discussion. All were in favor, motion passed.

8. REPORTS – Manager Brown reported that he and the Mayor met with PNM on the proposed rate increases and that it was a very important issue as far as the Town was concerned because it would impact the residents individually as well as the Town and the services that the Town provided. He said that it was compounded when the Town got a rate increase because the cost to operate the water system would go up so the individual would pay more at home for that also. He said that because of the many changes and pro-activeness of the Utilities Department, the Office of Sustainability, and the Community Development Department, most of the rate increases regarding the water system should be mitigated and held to a minimum so the Town should not have to pass on any rate increases to the customers during the current year.

9. PUBLIC HEARINGS - None.

10. UNFINISHED BUSINESS -

A. Appointment of 1 member to the Cemetery Board. Mayor Marshall stated that 2 good applications were received by Lindee Lenox and former Councilor Steve May. He said that he spoke with the Chair of the Cemetery Board and her recommendation was to appoint Steve May, however, the Mayor said that he wanted to go with Ms. Lenox because her background may bring a fresh approach to the Cemetery Board. He said the Board was currently filled with long time residents with an extensive knowledge of the history. He said he would like to appoint Lindee L. Lenox to the Cemetery Board and there were no objections from the Council.

11. NEW BUSINESS -

A. Approval / Disapproval of Bid #10/11-12: Penny Park reconstruction. Manager Brown said they put out the bid for the Penny Park reconstruction and received 2 bids that were from Nambe Construction of Santa Fe and Sacaton Construction of Silver City . He said Nambe Construction was deemed non-responsive because of issues with their Workforce Solutions registration, and Sacaton Construction was deemed non-compliant because they did not have special licensure to build parks. He said that it was staff's recommendation to reject both bids and go out for re-bid. He said they also contacted the State regarding Sacaton Construction and found out that they could request a waiver for the special licensure from Construction Industries. He said they would be doing that as well so they could open up the opportunities to all general contractors for the bid. He said the base bid was to replace everything that was burnt and the additive alternates were to add extra things. Mayor Marshall said he was still puzzled by the 2 bids because 1 of them was 60% of the other bid and the lower bid was out of Santa Fe. There was further discussion. Councilor Bettison made a motion to reject all bids for Bid #10/11-12. Councilor Morones seconded the motion. All were in favor, motion passed.

B. Approval / Disapproval of Contract Agreement between the Town of Silver City and the Southwest Solid Waste Authority for Fiscal Year 2011 Recycling Services within the Town of Silver City. Manager Brown presented the details of the contract and said the term of the Recycling Agreement expired so he went into negotiations with the manager of the Southwest Solid Waste Authority (SWSWA). He said the single stream recycling currently accepted many other types of materials for recycling and had done what it was intended to do. He said a report from SWSWA showed that in 2009 there were 510 tons of recycling processed, but in 2010 there were 984 tons of recycling so basically the recycling had increased so much that it was costing as much to process the material at the landfill. He said the real benefit was that it diverted that much more material from the landfill so it would extend the life of the landfill. He said the estimated life of the landfill was 19.4 years, but if the current rate of recycling continued then the life of the landfill would extend to almost 30.5 years. He said the Town's investment of \$172,171.00 was a flat rate paid annually to SWSWA no matter how much recyclable material were sent over the scale. He said the more that was diverted to the landfill meant less was paid in tipping fees for the customers so it was his recommendation to approve the Recycling Agreement with the same rate as the previous year. He said the only basic changes were the types of recyclables because the description was a little more general because the company that was accepting single stream recycling was starting to accept more types of recyclables, maybe even glass. Mr. C. J. Law, Manager of SWSWA, provided further comments on glass. Mayor Marshall asked Attorney Scavron if there should be an exception in Section 8.11 Reduction of Compensation for Substandard Performance similar to Section 8.6 Force Majeure. Attorney Scavron said they could put it in, but it could also be read that Section 8.6 was applicable to Section 8.11 because it was not just liability, but it also said the other party would not be liable for any loss and Section 8.11 would be a loss. He said it could be added for clarification but he was comfortable that Section 8.6 could be argued if they were not able to meet the 95% compliance because of force majeure. Mayor Marshall stated that he was confident with

Attorney Scavron's answer and he was fine with the contract as written. There was no further discussion. Councilor Morones made a motion to approve the contract agreement between the Town and SWSWA for Fiscal Year 2011 Recycling Services within the Town of Silver City. Councilor Bettison seconded the motion as stated. All were in favor, motion passed.

C. Discussion and action pertaining to the Fiscal Year 2012 Budget. Manager Brown said he completed the preliminary revenue projections for Fiscal Year 2012 for gross receipts taxes. He said the 3 major funds and lodgers tax funds were scrutinized the most by the Council and the public, and he was projecting a 2.3% increase in gross receipts taxes. He said that in the last year they had \$7.9 million in gross receipts tax revenues, but he was projecting \$8.3 to 8.4 million in gross receipts tax revenues the next year which was more than a 2.3% increase. He said currently the gross receipts tax revenues were 6% above where they were in the last year. He said the water and sewer fund and sanitation fund were in good shape and he provided details. He said his main goal was to ask the Council for direction regarding lodgers tax. He said the operating budget for lodgers tax, which provided some funding for the Museum and overtime costs for the Police and Fire Departments for events, was \$225,000 for lodgers tax awards if that was the route that the Council wanted to go. He said last year it was \$175,000. Mayor Marshall said they should schedule a work session as soon as possible on lodgers tax and to notify the previous applicants and go over the Garrity Report on lodgers tax. There was further discussion on the lodgers tax assessment by the Garrity Group. Mayor Marshall commended Manager Brown on his management of the Town's budget in both his roles as Town Manager and Finance Director, and the staff and departments heads for working on projects. There was further discussion about the budget and the upcoming request for proposal for lodgers tax promotions.

12. ADJOURNMENT – Councilor Bettison made a motion to adjourn at 6:55 PM. Councilor Ray seconded the motion. All were in favor. Motion passed.

/s/

James R. Marshall, Mayor

Attest:

/s/

Ann L. Mackie, Town Clerk