



CITY COUNCIL MEETING
AUGUST 27, 2013, 6PM
CITY HALL COUNCIL CHAMBERS
405 N. PASEO DE OÑATE ESPAÑOLA, NM

A. CALL TO ORDER

Mayor Alice A. Lucero called the meeting to order at 6:02pm.

B. PLEDGE OF ALLEGIANCE MOMENT OF MEDITATION/ INVOCATION

Mayor Lucero led the Pledge of Allegiance and Councilor Valdez led the Moment of Meditation/Invocation.

C. ROLL CALL/ DETERMINATION OF QUORUM

Mayor Lucero announced that she had received a call from Councilor Radosevich who informed her that he would be unable to attend the meeting as he had family visiting from out of state.

The following Governing Body Members were in attendance:

Mayor:	Alice A. Lucero
Mayor Pro Tem:	Dennis Tim Salazar
Councilors:	Elaine L. Herrera
	Cory J. Lewis
	John Hernandez
	Peggy Sue Martinez
	Pedro Valdez
	Robert Seeds

D. APPROVAL OF AGENDA

Mayor Lucero requested that Item 8 be deleted as the State Engineer's Office had informed the City that they had released all of the water that belonged to the City.

Councilor Martinez stated that she had not received any information regarding Item 7 and Item 8. She expressed the belief that it was important that they receive the documentation. She stated that she thought that the Council should only act on the information that was in their packet. Mayor Lucero reiterated that Item 8 would no longer be discussed and stated that the documentation for Item 7 had been in the packet for the previous Council meeting.

Motion by Councilor Valdez to approve the agenda as amended; seconded by Councilor Martinez and Councilor Lewis.

Motion carried 7-0.

E. PUBLIC COMMENTS

Interim Librarian Sherry Aragon stated that she would like to thank Councilor Seeds, Councilor Valdez, Councilor Martínez and Councilor Lewis for donating bikes for the Summer Reading Program. She also thanked all of the sponsors for their donations.

Mayor Lucero thanked everyone for being so generous and thanked Interim Librarian Aragon for her hard work.

Councilor Valdez asked Interim Librarian Aragon if she would send the Council information on the Library Board. Mayor Lucero stated that it would be helpful for all Governing Body members to receive the agendas for the Library Board meetings.

Ms. Louise Rendon of the Rio Arriba DWI Program stated that they were in attendance to show gratitude for the Council's support of the 6 P.A.C. conference. She reported that on February 21, 2013, 388 sixth (6th) graders attended the conference. She explained that 484 students had committed; however, Dulce Elementary had been unable to attend. She stated that 17 resource groups attended and provided resources.

Ms. Rendon presented a certificate and plaque to Mayor Lucero and the City of Española. She expressed the importance that all entities work together and stated that the largest financial contributor to the conference was the City of Española.

Councilor Martínez thanked Rio Arriba County for their collaboration. She stated that the event had been a success and stated that she looked forward to the City of Española working with Rio Arriba County regarding the drug problem. She stated that she believed that it was important to commit to this on an annual basis.

Ms. Rendon stated that this had been the first conference of its kind and they had learned a lot to improve the next conference.

F. COUNCILOR COMMENTS/ ANNOUNCEMENTS

Councilor Valdez stated that he would like the following items to be placed on the agenda for the work session: discussion of the \$1.50 increase in garbage fees, curfew ordinance, abandoned homes ordinance, utility ordinance and the oversize load ordinance. He added that he would also like to review the North Central Solid Waste Authority (NCSWA) Memorandum of Understanding (MOU) and Joint Powers Agreement (JPA). He mentioned that NCSWA had begun work on the Alcalde Transfer Station and it would be operational within a year.

Councilor Seeds stated that, with regard to the work session, he was concerned about water rates and believed that that hook-up fees should be reduced. He stated that he would also like to discuss abandoned homes. He communicated that the work session needed to be held as soon as possible and questioned why it had not been scheduled sooner. Mayor Lucero asked City Clerk Mascareñas to speak with regard to the issue. City Clerk Mascareñas stated that she had attempted to schedule the work session for the 4th of September; however, the Planning & Zoning Director would be taking annual leave and he needed to attend to discuss several of the issues. She stated that during the remainder of the month of September, some Councilors had differing schedule conflicts and she did not wish to intentionally exclude anyone. She stated that it appeared as though September 23rd would accommodate all schedules.

Councilor Seeds expressed hope that everyone would take the work session more serious. He stated that he believed there were many rundown homes in the City. He added that he hoped that the meeting on the 23rd would be fully attended.

G. MATTERS FROM THE MAYOR

1. Employees of the Month

Mayor Lucero stated that there were two (2) employees of the month.

a. Billie Jo Martinez

Interim City Manager Duran stated that he had nominated Utility Billing Supervisor Billie Jo Martinez. He reported that she had worked for the City for some time and had an excellent performance record. He explained that Utility Billing Supervisor Martinez set an example for other employees and had gone out to learn how to read meters so she did not have to depend on others. He reported that Utility Billing Supervisor Martinez had conducted audits and increased revenues. Interim City Manager Duran stated that she had pushed her employees forward and earned their respect. He added that, as far as collections, she worked out details with the public and was well respected.

Mayor Lucero commented that Utility Billing Supervisor Martinez was in a position where she sometimes dealt with irate citizens and had a way of dealing with them effectively.

b. Jon Paul Gonzales

Acting Wastewater Superintendent Perry Vigil stated that Wastewater Operator John Paul Gonzales had worked with the City for over six (6) years. He stated that Wastewater Operator Gonzales was reliable and had a strong work ethic. He continued that Wastewater Operator Gonzales always arrived early and would not leave until the job was done. Acting Wastewater Superintendent Vigil added that Wastewater Operator Gonzales always made himself available for work on weekends or holidays and was a self-starter that did not need to be told what to do. He stated that Wastewater Operator Gonzales was valuable to the City of Española and the Wastewater Department.

Mayor Lucero stated that everyone spoke highly of Wastewater Operator Gonzales.

H. REPORTS

2. Council Committees (Community Services, Finance)

Councilor Seeds stated that there was no report for the Community Services Committee.

Councilor Valdez stated that the only item regarding Finance was on the agenda for later in the evening.

3. Council Appointed Liaison (NCSWA, NCRTD, E911, Beautification Committee, Veteran's Commission, Regional Coalition of LANL Communities, Redi-Net)

Councilor Valdez stated that, with regard to NCSWA, he just had the report on the transfer station.

Mayor Pro-Tem Salazar stated that NCRTD would hold a Board Meeting on September 6th.

Interim City Manager Duran stated that he had no report for E-911.

Councilor Martinez stated that she had no report on the Beautification Committee.

Interim City Manager Duran stated that he had no report regarding the Veteran's Memorial Wall Commission.

Mayor Lucero stated that she did not have a report regarding the Regional Coalition of LANL Communities. However, with regard to the Northern New Mexico Implementation Team (NNMIT), there had been a reception for Kenneth Gonzales as he would be leaving his post as US Attorney to serve as Judge.

She stated that she had met with the new US Attorney about continued support of the NNMIT and had received a good reception. She expressed the belief that it was because of the US Attorney's office that NNMIT continued to have successful meetings each month.

IS Manager Joaquin Maestas stated that RediNet had a busy period during the month of August. He reported that on August 14, 2013, RediNet held a Regional Economic Development Conference at the Ohkay Casino for the discussion of several different issues. He stated that the Keynote Speaker had been Congressman Ben Ray Lujan.

IS Manager Maestas continued that on August 16, 2013, Tesuque Pueblo demonstrated what they were doing with RediNet before representatives of US Senator Heinrich's office. IS Manager Maestas added that there had been a Ribbon-Cutting Ceremony on the same day that was attended by a variety of local dignitaries. Mayor Lucero specified that US Senator Tom Udall, Congressman Ben Ray Lujan, State Representative Nick Salazar, and Representative Jim Trujillo had attended.

4. Reports

Interim City Manager Duran stated that he was honored to introduce new General Services Director Juanito Maes. He stated that General Services Director Maes had a strong background in general services, streets and fleet. Mayor Lucero welcomed General Services Director Maes.

I. CONSENT AGENDA

Motion by Councilor Valdez to approve the consent agenda; seconded by Councilor Herrera.

Councilor Seeds stated that he could not vote on the minutes of August 13th as he had not been in attendance. Mayor Lucero stated that Councilor Seeds could still vote on them. He replied that he would prefer not to.

Councilor Martinez stated that she had some corrections to the July 27th minutes. Mayor Lucero explained that the minutes had not been pulled from consent agenda and could not be discussed beyond a simple vote. Councilor Martinez stated that the way she understood the consent agenda was that items would be discussed at a work session and then placed on a consent agenda and there had been no work session. Mayor Lucero reiterated that the purpose of a consent agenda was to group items for passage with a single vote.

5. 7.22.13 City Council Meeting Minutes

Motion by Councilor Valdez to approve the 7.22.13 City Council Meeting Minutes; seconded by Councilor Herrera and Councilor Seeds.

Motion carried 7-0.

6. 8.13.13 City Council Meeting Minutes

Motion by Councilor Valdez to approve the 8.13.13 minutes; seconded by Councilor Herrera.

Motion carried 5-2, with Councilor Martinez voting in the negative and Councilor Seeds abstaining.

Councilor Martinez stated that she wanted the records to reflect the following exactly as she said it:

“In this minutes there was no mention of Mr. Coppler’s advice concerning the Cuatro Villas second contract with the water rights and there was no mention of how he gave the City advice to go ahead and combine both contracts without one of the them being on the agenda so I want that noted and also I want it noted that I did ask for it go on this agenda for today because it was not prior to the agenda that we were working on and that was never mentioned in the minutes. Another thing that is not mentioned in the minutes is there is some ambiguity where Ms. Sandoval is talking about the RFP and how they evaluated the contracts for the audit that’s on our agenda also for today but I think that one of the things that was missing there that is very important to be noted, even if it’s noted in today’s, is that the number one bid that was chosen by that committee almost doubles what the number two bid was and it’s not really like the price per hour it deals more with the man hours that are being needed as being the deciding factor so I think those are two very important issues that need to be on record.”

J. ITEMS PROPOSED FOR COUNCIL CONSIDERATION/DISCUSSION ITEMS/ACTION ITEMS

7. RFP 2013-004- Annual Audit for FY 2012, 2013 and 2014

ASD Sandoval stated that proposals had come in and were scored. She stated that Councilor Martinez was correct in her assertion that the man hours had made the difference as the price came out to roughly the same rate. ASD Sandoval explained that the panel felt that because the City was coming off of several years of disclaimers, the firm that put in a significant number of hours was a fair proposal for audit because it would most likely take a large amount of time. She stated that this way, the City would not have to battle time constraints. She added that this was also a very good indicator of someone that had actually considered what it would take to get an audit done. She stated that the choice was the Council’s prerogative and she would be willing to accept any of the top performers.

Mayor Lucero stated that the list included in the packet the previous week should have been placed in the current packet and was needed to make a motion. ASD Sandoval stated that there had been five (5) proposals. Mayor Lucero asked that the handout from the previous packet be handed out once again. Councilor Valdez mentioned that he had placed notations on the handout regarding each firm’s hourly rate. Councilor Seeds thanked Councilor Valdez for calculating the numbers and asked if the State Auditor had recommended anyone in particular. ASD Sandoval stated that the City could select anyone as long as they were on the approved list.

Motion by Councilor Valdez to approve the audit contract for FY 12, 13 and 14 with REDW; seconded by Councilor Herrera.

Councilor Valdez stated that the reason he wanted to do this was because of the amount of people that REDW would place on the project. He stated that legislative funds could not be spent due to the delinquent audits.

Councilor Hernandez stated that, based on his review of the file and the evaluation criteria, the results of the scoring told him that there were two (2) qualified companies- REDW and White & Samaniego. He explained that he was not opposed to completing the audits; however, his only concern was that REDW applied seven (7) individuals to the audit and White & Samaniego only applied three (3) individuals. He recommended that the contract have milestones placing REDW in the position of having to provide concrete evidence that they were providing the service.

ASD Sandoval stated that all of the firms were capable or would not have been approved by the State Auditor. She explained that the contract with any of the IPAs was a contract that was prepared by the State Auditor’s

Office and contained language that stipulated that the City would not make final payment until the completion of the audit. She added that the City could not sign any other contract than the one provided by SA.

Councilor Seeds asked who was on the evaluation committee. ASD Sandoval replied that it was herself, Procurement Officer Georg-Ann Salazar and Grants Administrator Diahann Jacquez. Councilor Seeds stated that he was under the impression that there had been some interference with the work of the auditors. He stated that he would hope that the Interim City Manager would have formed a committee of councilmembers to review the RFP. He expressed the belief that people overseeing the auditor should have authority in the RFP process. Councilor Seeds reported that he understood from the State Auditor's Office, Kubiak & Melton was a reputable firm. He commented that he was very concerned about the people that recommended the firms.

Mayor Lucero stated that everyone on the committee was qualified and did not oversee the auditor. She explained that Finance staff worked with the auditor. She stated that the auditor reported to the Mayor, City Manager and Administrative Services Director. She stated that she had no problem with the committee and the staff had worked diligently for the past years to avoid disclaimers. She reported that the last clean audit had been in 2004 and staff, under leadership of ASD Sandoval, had to go back and get true balances for 2005-2010. Mayor Lucero commended the Finance Department for their work. She stated that it was in years prior to 2010, that staff did not provide the necessary materials the auditors needed to review. She added that the 2010 audit had already been submitted to the State Auditor's Office.

Mayor Lucero called on ASD Sandoval. Councilor Seeds stated that he would like to speak. Mayor Lucero stated that ASD Sandoval had the floor. Councilor Seeds stated that he would like to respond to Mayor Lucero's comment. Mayor Lucero stated that he could respond following the comments of ASD Sandoval.

ASD Sandoval responded to Councilor Seeds comment stating that the Finance Department did not approve the audit; rather the Council would make the final approval.

Councilor Seeds stated that the Mayor had praised the staff, yet the City was in the same position as 2 or 3 years prior. He continued that the more the City failed to get audits up to date, there was a possibility that there could be monies missing. He stated that it seemed as though the City was not getting anywhere. Mayor Lucero stated that she had already explained the reason for the delay. She reiterated that staff had worked to find true balances and after this year, there should be clean audits. She added that it was not that nothing had been accomplished; an incredible amount had been accomplished.

Councilor Martinez stated that she agreed with Councilor Seeds, to an extent, and Councilor Hernandez. She stated that she continually heard that the audit was almost done and then the audit was redone by another company. She stated that she had asked that the company present to council and had heard they were sick and could not attend, etc. She stated that the auditor had a responsibility to attend when the council asked for answers. Councilor Martinez added that she would still love to hear from the audit company and had some grave concerns. She continued that she had concerns about the company that Councilor Valdez had motioned to accept because their proposal was almost double the amount of the other proposals and the scores were close. She stated that she realized that it depended on the amount of hours; however, it was not fair to the others on the list if there was not a required amount of hours on the RFP.

Councilor Valdez stated that he could not understand Councilor Seeds and Councilor Martinez. He stated that the City was behind five (5) audits and were up to date following the other three (3) audits. He stated that it was not correct to say that the employees had not done anything. He stated that he had been on the Council for a term of almost four (4) years. Councilor Martinez began to speak. Mayor Lucero called her out of order. Councilor Valdez stated that he could say that the City had caught up on audits and it was a big plus.

Interim City Manager Duran stated that as far as the personnel in finance, they were very qualified to do such work. He stated that the situation was reminiscent of an adage he learned in the military, "you put me to guard a hill and then you question it." He stated that ASD Sandoval was a CPA and was doing an excellent job. He stated that the audits were going forward. Interim City Manager Duran continued that at the current point, ASD Sandoval had done her part and it was the Council's responsibility to make a decision and go forward.

Councilor Hernandez asked ASD Sandoval to confirm that the audits before 2012 were accepted and there was no disclaimer. Mayor Lucero stated that the audit for 2010 was under review by State Auditor's Office and they expected that it would be approved. She explained that it may be a disclaimer and the auditor would explain it when the audit report was presented. She stated that the 2011 was being conducted. Councilor Hernandez asked if it meant that the audit was not complete when a disclaimer was attached. ASD Sandoval stated that the Finance Department had completed their work and it was up to the auditor to determine whether he felt he had sufficient information to make a recommendation. She explained that if a disclaimer was issued, the auditor would explain in a letter why they felt they did not have sufficient information. She added that a disclaimer was a lack of opinion.

Councilor Hernandez asked what would happen after the State Auditor rendered an opinion. ASD Sandoval stated that the State Auditor's office would approve the report for release and allow the auditor to do a final print.

Councilor Lewis stated that he was in favor of what Councilor Hernandez stated.

Councilor Seeds asked that the Council have the opportunity to speak with the firm that was approved on a monthly or bi-monthly basis.

Mayor Pro-Tem Salazar asked ASD Sandoval for clarification regarding how each company decided on the number of hours. ASD Sandoval replied that every firm evaluated the entity by looking at prior year reports and examining findings and the amount of funds.

Councilor Martinez asked how many hours the current auditor took to complete the 2010 audit. She stated that it would seem to her that if a company had been here, they would understand the work necessary to complete the next year and would be more familiar with the staff than someone new.

Councilor Lewis asked if an RFP had gone out and if there was a scope of work. He added that there was a saying around City Hall which was, "do more with less," and the amount of the highest bid was double.

ASD Sandoval expressed the feeling that the current auditor needed to spend more time. She stated that they had not bid a higher level of hours when the FY 10 audit contract was awarded. She stated that this was a judgment call because there were qualified firms and everyone had a different perspective.

Roll Call Vote:

Mayor Pro Tem:	Dennis Tim Salazar	Against
Councilors:	Elaine L. Herrera	Against
	Cory J. Lewis	Against
	John Hernandez	Against
	Peggy Sue Martinez	Against
	Pedro Valdez	In Favor
	Robert Seeds	Against

Motion failed 1-6.

Motion by Councilor Seeds to approve a contract with Kubiak & Melton for the FY 2012, 2013 and 2014 audit.

Mayor Lucero asked ASD Sandoval to express her concerns regarding Kubiak & Melton. ASD Sandoval stated that Kubiak & Melton was a qualified firm; however, the City had been utilizing them for accounting work. She explained that it was a conflict of interest for Kubiak & Melton to be involved in audits until FY14, even though we probably could be assured that different staff would be assigned to the audit than those that were assigned for accounting services. She stated that she did not feel that that was going to happen since the people who did accounting services were listed as the individuals who would conduct the audit. She stated that she does not want to encounter an independence issue.

Motion failed due to the lack of a second.

Councilor Hernandez stated that, given his contracts and procurement background and with all due respect to his fellow Councilors, he would recommend that based on the results, that White & Samaniego be awarded the contract.

Councilor Seeds asked why the Finance Department had listed Kubiak & Melton if there was a conflict of interest. Mayor Lucero explained that they had listed everyone who had submitted a proposal.

Mayor Pro-Tem Salazar agreed with Councilor Hernandez.

Motion by Mayor Pro-Tem Salazar to approve a contract with White & Samaniego for FY 2012, 2013 and 2014; seconded by Councilor Lewis.

Motion carried 5-2, with Councilor Valdez and Councilor Seeds voting in the negative.

Councilor Martinez stated that she would like it noted in the record that ASD Sandoval should have brought all of the information with regard to Kubiak & Melton to her attention.

Councilor Valdez exited at 7:06pm.

She continued that she had voted in favor of the measure but felt blindsided. She added that she would like to know more about each company and would like information in the packet in the future. Councilor Martinez expressed the belief that the audits were way overdue and the staff was putting her between a rock and a hard place.

Mayor Lucero explained that each proposal was about an inch thick so Councilors were asked to go into City Hall to review them.

Councilor Herrera exited at 7:07pm.

Councilor Valdez re-entered at 7:07pm.

8. Request for Co-sponsorship of Spañapalooza-Luis Peña

Recreation Coordinator Herrera stated that the request for co-sponsorship of the 12th Annual Spañapalooza was relatively straight forward. He stated that they had requested the use of bleachers and polycarts.

Mr. Luis Peña requested that the water puddles be fixed as they became a safety issue due to their proximity to electrical outlets.

Councilor Herrera re-entered at 7:08pm.

Motion by Mayor Pro- Tem Salazar to approve the Co-sponsorship of the 12th Annual Spañapalooza; seconded by Councilor Martinez.

Mayor Pro-Tem Salazar stated that Spañapalooza had a good reputation and was an amazing event. He asked Mr. Peña to keep up the great job.

Motion carried 7-0.

9. Request for Co-sponsorship of the First Annual Northern NM Family Day-Chris Alcala

Mr. Chris Alcala stated that he was the Program Coordinator for Las Cumbres and they hoped to sponsor an event on September 21, 2013 called Northern New Mexico Family Day. He explained that the event was different because it would be free with entertainment, food and health organizations. He stated that they had booked the Plaza de Española as the location and had registered approximately 15 sponsors. He added that they were having difficulty with the money so he was requesting co-sponsorship for the use of bleachers and assistance of city staff. Mr. Alcala announced that the band Perfeccion would be playing.

Mayor Lucero stated the City would waive the fee for the use of the Plaza as a co-sponsor.

Motion by Councilor Seeds to approve the Request for Co-sponsorship of the First Annual Northern NM Family Day; seconded by Councilor Lewis.

Councilor Seeds stated that he would like to offer some of the City's time on the Coffee break program on KDCE. Mayor Lucero asked Mr. Alcala to let her know when he would like to be on Coffee break and she and Recreation Coordinator Herrera would join him.

Motion carried 7-0.

10. Request for Exchange of Services at the Old Post Office-Tana Beverwyk-Abouda

Ms. Tana Beverwyk-Abouda stated that she wanted to create a place in Española for high impact exercise. She explained that in lieu of rent, she would place a wood floor in the Old Post Office building.

Motion by Councilor Valdez to approve Exchange of Services at the Old Post Office; seconded by Councilor Seeds.

Councilor Hernandez asked if classes were already being conducted. Ms. Beverwyk-Abouda stated that they had been having classes for two (2) years and began doing it in the City building the year prior. She reported that the facility had been great and she charged for her classes on a sliding fee scale.

Councilor Hernandez asked how the courses were advertised. Ms. Beverwyk-Abouda replied that she had placed ads in the Rio Grande Sun and on KDCE Radio.

Councilor Seeds stated that it was unfortunate that nobody recalled when it was brought before the Governing Body. City Attorney Coppler stated that it had been discussed the same week that it was in the Rio Grande Sun. Councilor Seeds stated that he did not read the newspaper very often. He continued that the Council was dealing with a deadline and there was testimony that a judgment of six (6) figure monies was looming. He stated that the situation was unfortunate and he did not know how it had gotten to this point. Councilor Seeds stated that the City was going to have to continue to have the burden of cost if a transcript was ordered. He stated that he did not think that \$4,200 was a ridiculous amount of money and it was unfortunate that the City was even involved. He added the reality was the offer was before them with a deadline and he expressed hope that Council would deal with it.

City Attorney Coppler stated that if the \$4200 offer had come a month prior, before the money had been spent for trial, he would have been before the Council asking them to write a check.

Motion by Councilor Valdez to bring the item to next Council meeting; seconded by Councilor Hernandez.

Councilor Seeds verified that the City Attorney would work on the case continually until that time. City Attorney Coppler stated that he had done all of his work; however, he would be willing to not charge the fee for filing the required brief the next morning.

Roll Call Vote:

Councilors:	Elaine L. Herrera	In Favor
	Cory J. Lewis	Against
	John Hernandez	In Favor
	Peggy Sue Martinez	In Favor
	Pedro Valdez	In Favor
	Robert Seeds	Against

Motion carried 4-2.

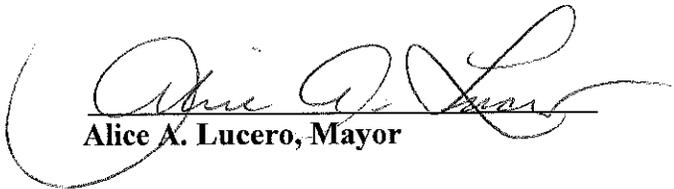
L. ADJOURNMENT

Motion by Councilor Martinez; seconded by Councilor Lewis.

Motion carried 6-0.

The meeting was adjourned at 8:08pm.

APPROVED AND ADOPTED THIS 10th DAY OF September, 2013.


Alice A. Lucero, Mayor

ATTEST:

Tessa Jo Mascareñas, City Clerk
