

**CITY COUNCIL MEETING
MONDAY JANUARY 28, 2013, 6PM
CITY HALL COUNCIL CHAMBERS
105 PASEO DE OÑATE, ESPAÑOLA**

A. CALL TO ORDER

The meeting was called to order at 6:10 pm by Mayor Lucero with the following in attendance:

- Mayor: Alice A. Lucero
- Councilors: Robert Seeds – by telephone
- Peggy Sue Martinez
- Pedro Valdez
- Cory Lewis
- Eric Radosevich
- Elaine Herrera

A. PLEDGE OF ALLEGIANCE

Mayor Lucero led the Pledge of Allegiance.

B. MOMENT OF MEDITATION/INVOCATION

Councilor Pedro Valdez led the Moment of Mediation/Invocation.

C. APPROVAL OF AGENDA

Mayor Lucero presented the agenda as follows:

---Begin---

- A. CALL TO ORDER**
- B. PLEDGE OF ALLEGIANCE**
- C. MOMENT OF MEDITATION/ INVOCATION**
- D. ROLL CALL/ DETERMINATION OF QUORUM**
- E. APPROVAL OF AGENDA**
- F. PUBLIC COMMENTS**
- G. COUNCILOR COMMENTS/ ANNOUNCEMENTS**
- H. BUSINESS WITH VISITORS**
 - 1. Information regarding the Two Mill Levy, Art Blea, Española Public Schools Superintendent
 - 2. Presentation from David Bingham, The Heritage Group, regarding a proposal for the new Library & Media Center
- I. MATTERS FROM THE MAYOR**
 - 3. Appointment of Fiesta Council
- J. REPORTS**

4. **Council Committees** (Community Services, Finance)

5. **City Manager and Staff Reports**

K. ITEMS PROPOSED FOR COUNCIL CONSIDERATION/DISCUSSION ITEMS

6. Resolution 2013-01:Española Main Street Study

7. Cultura Promotions request for Beer Garden at 2013 Mainstreet Showdown de Española

8. Contract with Stein & Brockman

9. Jemez Mountain Electric Cooperative rate case

L. EXECUTIVE SESSION

Pursuant to New Mexico Open Meetings Act Section 10-15-1 (H) Subsection (2) limited personnel matters; (5) discussion of bargaining strategy preliminary to collective bargaining negotiations; (7) attorney-client privilege pertaining to threatening or pending litigation in which the public is or may become a participant; (8) discussion of the purchase, acquisition or disposal of real property or water rights by the public body.

M. ADJOURNMENT

---End---

Motion by Councilor Lewis to approve the agenda; seconded by Councilor Radosevich.

Motion carried 6-0.

PUBLIC COMMENTS

There were no members of the public wishing to comment.

COUNCILOR COMMENTS

Councilor Valdez commented on the Governor's Breakfast that he attended on Thursday, January 24th. He stated that the breakfast had gone well. He added that on Saturday, January 26th the Chamber Year of Business Meeting was held and had gone well.

BUISINESS WITH VISTORS

Mayor Lucero welcomed Mr. Blea and called upon him to speak.

Superintendent Art Blea thanked Mayor Lucero and the Council for allowing him a second opportunity to speak regarding the proposed 2 mill levy. He urged voters and the listening KDCE audience to participate in the upcoming school elections being held February 5th 2013. Superintendent Blea stated that the proposed 2 mill levy project would be on the ballot.

He stated that an informational flyer had been distributed to students and parents throughout the Española Public Schools and Charter Schools District. Superintendent Blea stated, "due to the high loss of student enrollment within the Española Public Schools, the amount of monies funded to the district had subsequently dropped.

Approximately 300+ students this past year were lost to other districts. That equates to a loss of about \$1.5 million dollars in funding.”

Superintendent Blea explained that the proposed 2 mill levy was a pro-rated amount based on the attendance of each school within the district. He stated that if the levy was approved, the Española Public Schools and Charter Schools would not receive the money until the following tax year. He added that voting in favor of the levy would ensure future funding.

Superintendent Blea explained that if the levy was successful, the monies would be used to maintain infrastructure and maintain buildings. He concluded by thanking Mayor Lucero, the Council and the listening audience for their time. He urged anyone having questions regarding the mill levy to contact him directly at (50) 753-2254. He noted that legal requirements of the 2 mill levy prohibited any funding toward salaries. He explained that the tax increase would affect local taxpayers by approximately \$60 per household per year.

Councilor Pedro Valdez stated that he endorsed the 2 mill levy because it had a sunset of approximately six (6) years. He clarified that within the period, a determination could be made regarding whether it was working. He added that if the window of authorization time was any less, he may not have been in favor of the levy, but he understood the severity of the situation and the need.

Councilor Martinez encouraged everyone in the Valley and surrounding communities eligible to vote to do so. She commented, “Although there are only two seats available on the Española School Board, District 2 and 3, it is very important to vote because it affects our children’s future.”

Councilor Lewis stated that Mr. Leo Valdez’ endorsement of the 2 mill levy was very important and his opinions were merited. He asked Mr. Valdez to address the Council and speak on the matter.

Mr. Valdez explained how important it was to vote rather than wait for financial problems to worsen. He stated that he supported the statements made by Superintendent Blea regarding the loss of \$1.5 million due to the lack of re-enrollment. Mr. Valdez merited Superintendent Blea’s ability to foresee a problem and prepare a plan of recourse.

Councilor Radosevich asked Mr. Valdez if he could explain in basic terms how this would affect the local taxpayers and how the amount paid into the levy was determined. Mr. Valdez explained that a mill levy translated to approximately \$2 per thousand based on taxable income. He explained that if a family’s total earnings was \$90,000.00 per year, then the amount would be divided by three (3) and \$2.00 per thousand of \$30,000.00 would be taken equaling \$60 per year. He stated that same principal would apply to a lower taxable income but the amount paid towards the levy would be less.

Councilor Martinez questioned if the mill levy was not successful and things began to deteriorate, where the funding would come from to remedy the situation.

Superintendent Blea reemphasized the severity of the situation by stating, "If the 2 mill levy is unsuccessful, the monies used to maintain infrastructure, pay salaries, buy building materials, etc., will continue to come out of the "Operational Fund". He stressed that the majority of senior educators within the district had not received a raise in five (5) years. Superintendent Blea finished his statement by emphasizing his appreciation to all educators within the district who continued to do exceptional work in spite of the challenges.

Mayor Lucero thanked Española Public Schools Superintendent Blea for his efforts, as well as Mr. Leo Valdez for his participation and support.

Presentation by David Bingham from The Heritage Group

Mayor Lucero explained that Mr. Bingham was prepared to speak and introduce his concept and developmental plans for the proposed New Library & Media Center.

Mr. David Bingham of The Heritage Group introduced himself to the Council as an Investor and Builder based out of El Paso, Texas. He cited examples of past investment properties and described how he had stumbled upon the concept of Public Private Partnerships (P3). He explained that a P3 could be complex to understand or very simple. He explained that the term described a partnership of government and one (1) or more private sector companies. Ms. Bingham continued that the property could be owned by a private developer who assumed substantial financial, technical and operational risk as well as initial capital investment in the project. He added that all of the initial costs would be put up by the private sector company.

Mr. Bingham's stated that The Heritage Group was in the business of buying mortgages and redeveloping areas which needed help boosting the dichotomy of a location. He began describing an overview of an investment property. He stated that the Luna County Courthouse had partnered with The Heritage Group allowing that County a 25-year lease with an option to own the property. He explained that the Courthouse had served as the "anchor company" or stable and frequented establishment. He continued that surrounding the courthouse were small shops owned by The Heritage Group. He stated that the heavy traffic around and within the county courthouse was a sure way to keep the small businesses surrounding the courthouse in business and his mortgage paid. He confirmed that the county was able to pay-off their 25 year lease and bought the courthouse outright in only five (5) years.

Mr. Bingham stated that when he first visited the Old Hunter Ford Building, he envisioned somewhat of the same scenario. He stated that the New Library & Media Center could be the anchor and he would then develop smaller business spaces or sustainable components otherwise known as micro-shops as rental space. He stated that, initially, the City of Española could lease the library with an option to buy it back. Mr.

Bingham continued to describe the structure of the small micro-shop businesses built around the main building (12ft x14ft wide by 18ft x 26ft deep) design that may include tenant facilities on the second story.

Mr. Bingham concluded by urging council to research the P3 Act before pursuing state funding. He pledged that if he had grasped their interest with his concept, he could return with more information and appropriate a draft concept.

Mayor Lucero thanked Mr. Bingham for his time. She explained that City Attorney Frank Coppler had introduced her to Mr. Bingham and the P3 Act.

Councilor Valdez communicated to Mr. Bingham that this concept was interesting and recommended that Mr. Bingham re-visit and present his concept at a Public Works Committee and a Community Service Committee Meeting. Councilor Valdez continued that a company from Phoenix, Arizona proposed something similar when they were in the process of building the Convento. He stated that he would like to see the two committees (Public Works & Community Service) come together and discuss this concept.

Mayor Lucero stated that she liked this concept because it made it viable for small business owners to afford space. She added that the lucrative flow of traffic would ensure opportunity for future business.

Councilor Martinez stated that she was an advocate of small business and worked out of a small shop. She asked if Mr. Bingham was in communication with NNMC regarding student housing facilities. Mr. Bingham stated that he was communicating with the college regarding student housing.

FIESTA COUNCIL

Mayor Lucero announced Fiesta Council recommendations. She appointed Ruth Ann Vargas as President and Rebecca Money as Treasurer. Other members included Kimberly Lucero, Severito Garcia, Tomas Garcia, Annette Martinez, Steven Jaramillo, Richard Garcia, Jimmy Espinoza, Beatrice Smith, John Ramon Vigil, Carol Ann Salazar, Crystal Trujillo, Josephine Velasquez, Justin Espinoza, Len Cata, Tito Terrazas, Daniel Espinoza, John Gurule, Joel Vargas, Julie Sanchez, and Candace Vargas.

Mayor Lucero asked if there was a motion to approve the 2013 Fiesta Council or if there were any other names to be considered. Mayor Alice A. Lucero asked if anyone in council would like to serve as a liaison to Fiesta Council.

Motion by Councilor Valdez to ratify the appointment of the Fiesta Council; seconded by Councilor Eric Radosevich.

Motion carried 6-0.

COUNCILOR COMMITTEES

Mayor Lucero asked if Councilor Robert Seeds had anything to report from the Community Services Committee. Councilor Seeds replied in the negative.

Mayor Lucero called upon Administrative Services Director (ASD) Joyce Sandoval to speak with regard to the audit which had been taking place at City Hall. ASD Sandoval stated that the auditors were back on-site doing final fieldwork for FY 2010. She explained that once they completed the field work, they would go back and prepare a draft. She stated that in the interim between current day and preparing the 2010 draft, the auditors would also begin initial fieldwork for FY 2011. ASD Sandoval concluded that the estimated time of draft completion had not been determined yet for FY 2012; however, it would be within the calendar year (2013).

Councilor Martinez asked ASD Sandoval. "When is council going to receive final audit reports for fiscal year 2010 and 2011? Are they going to be together or separate?" Mayor Lucero responded by stating that during the upcoming months, an exit conference would conclude FY 2010 and following the approval, a separate exit conference would be held for FY 2011. Mayor Lucero stated that Council would be informed prior to the conferences.

Councilor Martinez asked Community Services Director Len Cata to speak regarding the 2nd Annual Operation Christmas Cheer Event held at Lucero Center. Community Services Director Cata communicated that the event was a huge success. He explained that the center distributed over 1,000 toys for various organizations. He stated that the toy drive was topped off with the Christmas party at the Lucero Center where Santa Claus awaited children. Community Services Director Cata reported that nearly 700 people had attended the event and thanked all who participated and generously donated. He also thanked his staff for their hard work and dedication. Community Services Director Cata concluded by stating that there would be a Community Service Committee Meeting held on February 18, 2013. He explained that the names of those who donated as well as participated would be announced at that time.

Councilor Lewis commented that on January 15, 2013 the Rio Grande Sun printed a column which was written by a paying member of the Lucero Center Gym. He explained that the column was not flattering nor was it something to be overlooked. Councilor Lewis urged Community Services Director Cata to address this concern as it appeared to be a personnel matter.

Interim City Manager Joe Duran stated that he had nothing to report at this time.

Resolution 2013-01 Española Main Street Study

Mr. Ted Garcia stated that there was a need for the City of Española to adopt a resolution on the preferred alternative in Segment A and Segment B. He stated that modifications had been made to segment A. Mr. Garcia noted that The Road Exchange Agreement

would be a different topic discussed at a different time and meeting which would involve the Pueblo of Santa Clara, The City of Española, and the Department of Transportation. He explained that Santa Clara Pueblo was mainly concerned with segment C, located on the east. He stressed the fact that they were working closely with the Pueblo regarding fringe easements.

Mr. Garcia further explained the project began at the junction of US 84/285 then moved across to the Paseo de Oñate Bridge towards NM 68. Mr. Garcia added that there would be three (3) phases of construction in relation to each lettered segment. He stated that Segment A was prospected to begin in the year 2017, Segment B (Paseo de Oñate Bridge) in 2018 and Segment C in 2019. Mr. Garcia stated that meetings had taken place with the Citizens of Española, Members of Council, Public Works Committee, Santa Clara Pueblo, and Santa Clara Development Corporation. He confirmed that the majority wanted to improve and support the process which would allow a safe flow of traffic on US 84/285 and improve the Paseo de Oñate Bridge.

Mr. Ted Garcia stated that there was a need for a letter to be developed citing the preferred segments. He stated that Santa Clara Pueblo would support whatever the City agreed to. He continued that Segments A option allowed for a steadier, safer flow of traffic as the Federal Highway Administration (FHA) would not allow an open highway. He stated that the FHA would provide 80% of the funding.

Mr. Miguel Gabaldon from the Department of Transportation (DOT) stated that NMDOT was responsible for the operation of US 84/285. He stated that as part of the responsibility they needed to ensure the movement of goods and traffic. He stated that he was requesting action in the form of a resolution.

Councilor Martinez asked if the historical integrity had been examined studied and incorporated. Mr. Gabaldon stated that they had looked into this and they would make every effort to maintain the historical integrity.

Motion to approve Resolution 2013-01 Española Main Street Study by Councilor Valdez; seconded by Councilor Radosevich.

Councilor Radosevich exited at 7:15pm.

Councilor Seeds asked if the approval of the measure meant that the City of Española would have to pay for the cost of maintaining the bridge. Mayor Lucero stated that this was solely the approval of the concept.

Councilor Radosevich re-entered at 7:16pm.

Councilor Seeds stated that he wanted to make it clear that the City of Española should be responsible for any costs associated with this project in the future. He stated that by approving the agreement, the City of Española would be responsible for any costs associated with the bridge. Mayor Lucero reiterated that the resolution did not address

that issue. She stated that maintenance of the bridge involved the road exchange agreement and that agreement was not before the Council. Councilor Seeds asked what was before the Council. Mayor Lucero stated that they were approving the concept of the realignment of the intersection.

Councilor Martinez commented that once this was approved it was "written in stone."

Roll Call Vote:

Councilors:	Robert Seeds	Against
	Peggy Sue Martinez	In Favor
	Pedro Valdez	In Favor
	Cory Lewis	In Favor
	Eric Radosevich	In Favor
	Elaine Herrera	In Favor

Motion carried 5-1, with Councilor Seeds voting in the negative.

Councilor Seeds disconnected the conference call at 7:26pm.

Cultura Promotions request for Beer Garden at 2013 Mainstreet Showdown de Española

Mr. Tomas Martinez stated that Cultura Promotions was requesting to be allowed to have a Beer Garden during the Car Show event. Mayor Lucero asked whose liquor license would be used for that purpose. Mr. Martinez responded that they would use the license from Dan's Liquor in Chimayo, NM.

Councilor Radosevich stated that the Beer Garden at the previous car show had been run well and verified that it would be done in the same way. Mr. Martinez replied in the affirmative.

Motion by Councilor Radosevich to approve the Beer Garden for the 2013 Mainstreet Showdown de Española; seconded by Councilor Lewis.

Councilor Martinez verified that the Beer Garden would not be located in proximity to the Seventh Day Adventist Church. Mr. Tomas Martinez replied in the affirmative.

Councilor Valdez stated that he would be voting against the measure in the interest of morals, health and safety.

Motion carried 3-2, with Councilor Martinez and Councilor Valdez voting in the negative.

Councilor Valdez exited at 7:27pm.

Contract with Stein & Brockman

Mayor Lucero explained that Stein & Brockman represented the City of Española on water right related cases.

Councilor Valdez re-entered at 7:28pm.

Mayor Lucero stated that there was an existing professional services agreement that was set to expire on January 31, 2013. She explained that there was ongoing litigation that would continue for several years. She stated that she would like to propose a short term contract from February 1, 2013 – March 31, 2013 so that litigation would not be halted while the City went out to bid.

Mr. Jay Stein reported that the City of Española was involved in two (2) water rights cases that should determine who owns what water rights. He stated that the first was the Abbott case. He explained that they were trying to negotiate a complete, comprehensive settlement.

He continued that the second case was the Navajo-Gallup settlement pending regarding the San Juan River. Mr. Stein explained that the State of New Mexico had offered to settle the claims with the Navajo Nation by providing them with 650,000 acre feet of water. He stated that the City of Española and the City of Albuquerque had intervened in order to ensure that the settlement did not affect the San Juan-Chama Water Project.

Motion to approve the Contract with Stein & Brockman by Councilor Valdez; seconded Councilor Herrera.

Motion carried 5-0.

Jemez Mountain Electric Cooperative rate case

Motion to enter into Executive Session by Councilor Valdez; seconded by Councilor Herrera.

Councilor Martinez exited at 7:38pm.

Roll Call Vote:

Councilors:	Pedro Valdez	In Favor
	Cory Lewis	In Favor
	Eric Radosevich	Against
	Elaine Herrera	In Favor

Motion carried 3-1, with Councilor Radosevich voting in the negative.

The Governing Body entered into Executive Session at 7:39pm.

Motion to exit Executive Session by Councilor Martinez; seconded by Councilor Radosevich.

Roll Call Vote:

Councilors:	Peggy Sue Martinez	In Favor
	Pedro Valdez	In Favor
	Cory Lewis	In Favor
	Eric Radosevich	Against
	Elaine Herrera	In Favor

Motion carried 4-1, with Councilor Radosevich voting in the negative.

Motion by Councilor Radosevich to approve the Contested Comprehensive Stipulation regarding the Jemez Mountain Electric Cooperative rate case; seconded by Councilor Herrera.

Motion carried 4-1, with Councilor Lewis voting in the negative.

Motion to adjourn by Councilor Martinez; seconded by Councilor Valdez.

Motion carried 5-0.

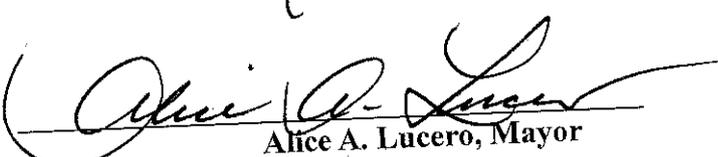
The meeting was adjourned at 8:00pm.

APPROVED AND ADOPTED THIS 11th DAY OF March, 2013.



ATTEST:

 Tessa Jo Mascarenas, City Clerk


 Alice A. Lucero, Mayor