

*Summary Minutes of:*

**FINANCE BOARD MEETING  
Monday, April 11, 2011  
City Hall Council Chambers  
405 N. Paseo de Oñate, Española, NM 87532**

**I. Agenda as Presented:**

---BEGIN---

- I. CALL TO ORDER**
- II. APPROVAL OF AGENDA**
- III. EXECUTIVE SESSION**

Pursuant to New Mexico Open Meetings Act Section 10-15-1 (H) Subsection (8) discussion of the purchase, acquisition or disposal of real property or water rights by the public body.

- IV. BUDGET HEARINGS:**
  - A. Public Safety
    - 1. Police Department
    - 2. Fire Department
    - 3. Detention Center
  - B. Municipal Court
  - C. Community Services
    - 4. Library
    - 5. Recreation
    - 6. Plaza
    - 7. Parks
    - 8. Senior Center
  - 6. Planning and Zoning Department
  - 7. City Attorney

- V. MATTERS OF THE CHAIR**
- VI. ANNOUNCEMENTS**
- VII. ADJOURNMENT**

*At any time during the Open Meeting the Board members, by a majority vote, may close the meeting to the public to discuss matters not subject to the New Mexico Open Meetings Act. The Board members, by a majority vote, may revise the order of the agenda items considered at this Open Meeting. If you are an individual with a disability who is in need of an amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the City Clerk's Office at 747-6019 at least three days prior to the meeting.*

---END---

**II. Call to Order**

The meeting was called to order by Mayor Alice Lucero at 6:01pm with the following in attendance:

Mayor: Alice Lucero  
Mayor Pro Tem: Cecilia Lujan

Councilors: Corey Lewis  
Greg Ortega  
Rosario "Chayo" Garcia  
Pedro Valdez  
Robert Seeds

City Manager: James Lujan  
City Clerk: Tessa Jo Mascareñas  
Deputy City Clerk: Jessica Martinez

Staff: Ron Archuleta, Administrative Services Director;  
Joyce Sandoval, Financial Specialist; Joaquin  
Maestas, IT Director and Union President; Leo  
Marquez, Police Chief; Ron Padilla, Fire Chief;  
Stephen Salazar, Municipal Judge; Jolene Miera,  
Court Administrator, Len Cata, Community Services  
Director; Richard Marquez, Outreach Coordinator,  
Russell Naranjo, Planning & Zoning Director;

Absent:  
Councilors: Helen Kain-Salazar  
Dennis Tim Salazar

### III. Approval of Agenda

Mayor Lucero asked if there was a motion regarding the agenda.

*Councilor Robert Seeds made a motion to approve the agenda, seconded by Councilor Pedro Valdez. The motion carried 6-0.*

### IV. Executive Session

*Councilor Valdez made a motion to move into Executive Session pursuant to New Mexico Open Meetings Act Section 10-15-1 (H) Subsection (8) discussion of the purchase, acquisition or disposal of real property or water rights by the public body; Seconded by Councilor Seeds. A roll call vote was taken and the motion carried 6-0.*

Executive Session began at 6:02pm.

*Councilor Valdez made a motion to exit Executive Session, seconded by Councilor Greg Ortega. The motion carried 6-0.*

Executive Session ended at 6:12pm.

The matters discussed in the closed session were only those specified in the motion for the Executive Session. There was no action taken.

## V. Budget Hearings

### A. Public Safety

City Manager James Lujan commended the Finance Department and stated he felt that the budget presented was much better than the one presented in March. Mayor Lucero also commended the Finance Department, particularly the City Manager for all of the work on the deficit.

Councilor Valdez stated that previously there was more input from the council regarding franchise taxes and vehicle purchase. He stated he would like to see the amount of money used for the purchase of vehicles throughout the city. Councilor Seeds cautioned that the City of Espanola should be careful about franchise taxes because they are passed on to the taxpayers. As a result, the citizens are indirectly taxed.

Mayor Lucero called for other questions or comments on revenue. Councilor Garcia stated she thinks the rates should be raised on swimming pool fees to pay for the cost of maintenance.

Councilor Ortega stated that on the Planning & Zoning budget, line items 33300 and 33400 are unchanged; however, year-to-date revenues are low. Ms. Joyce Sandoval stated that the planning & zoning fee analysis has been done by Mr. Russell Naranjo with the proposal of the fee increase. She stated that because of this, it was difficult for her to go back and make changes. However, this was brought up as potential revenue increase. Councilor Ortega stated there are quite a few fees. Ms. Sandoval stated that she had reviewed the fees and the calculated amount is dependent upon where revenues are booked. Councilor Ortega said he doesn't want to set the City of Espanola up for failure.

Councilor Seeds discussed raising pool fees and stated that his opinion remained the same as the previous year. He expressed his feeling that City of Espanola facilities do not compare to those in Los Alamos, Pojoaque, and Nambe. As such, he cautioned comparisons between the Lucero Center facility and facilities in other towns.

Councilor Garcia stated that she takes issue with raising business permit fees because this would result in a decrease of GRTs. She added that the City of Espanola has already developed a reputation of not being business-friendly.

Councilor Valdez said we have to look at realities and recognize that in order to own something we must spend. He stated that he planned on making a proposal to raise the fees for solid waste to purchase new equipment. Councilor Ortega agreed that all councilors have departments dear to them that they don't want to see suffer. He stated that costs and benefits have to be weighed for our citizens and that a dollar increase would not make much of a difference to an individual. He asserted that he believed the staff was trying to compare us to other cities that are high and low and were looking for a middle ground. Council Ortega stated he felt that the council will have to come to the citizens to explain fee raises and taxes to the citizens and why it is being done.

Mayor Lucero stated that there should not be an increase in the fees for building permits and it should be left flat at \$54, although we haven't received much revenue. She projected that year-to-date revenue may be \$20,000-\$25,000. Councilor Seeds yielded to Mr. Russell Naranjo who stated that the revenues may even be more than the projected amount due to permits for a CVS pharmacy as

well as the Espanola Hospital projects which are multi-million dollar projects. These permits have not yet been approved.

Mayor Lucero called for a motion to vote on swimming pool fees. Councilor Seeds stated that he thought this should have gone to the Community Services committee. He asked the amount of the proposed increase. Mr. Len Cata stated that fees would go from \$3 to \$5 for adults, from Free to \$0.50 for 17 year old and under students. Mayor Lucero asked if the age range could be changed to 18 and under because some high school students are 18 years old. Mr. Cata stated it could be. He went on that for 18-25 year olds or college students with an ID, the fees would go from \$2.75 to \$3.25. He also specified that weight room fees and gym fees are placed into two categories. For 18-25 year olds he was proposing a weight room increase from \$3.25 to \$3.75. Councilor Valdez stated the only major impact he could anticipate for citizens was for those who turned out daily; however, he asserted that the money was necessary to replace equipment and improve the facility.

***Councilor Garcia moved to increase the fees as proposed; the motion was seconded by Councilor Ortega and Mayor Pro-Tem Lujan.***

Councilor Seeds asked how much revenue would be raised by the increase. Mr. Len Cata said 14%, James added that it is approximately \$9,000.

***Roll Call Vote:***

***Mayor Pro-Tem: Cecilia Lujan- yes***  
***Councilors: Corey Lewis- no***  
***Greg Ortega yes***  
***Rosario "Chayo" Garcia- yes***  
***Pedro Valdez- yes***  
***Robert Seeds- no***

***Motion carried 4-2.***

Councilor Garcia asked to discuss the issue of meal fee increases at the senior center from \$2.00 to \$3.50. She stated that the current cost of meals doesn't even cover all of the food much less employees. Councilor Valdez agreed with the increase to \$3.50 and asked for a review next year to keep the program going. Councilor Seeds asked if there was any funding coming from the state or federal government. City Manager Lujan stated that we don't receive certain monies from other governmental entities because it would have certain requirements attached, such as meals on wheels and other programs. In addition, under the state nutrition program, there are certain foods that must be served and the seniors had communicated that they preferred beans, tortillas, sopapillas, etc. so prior administrations opted out of applying for such funds. He stated for the record that he had spoken with Councilor Helen Kain-Salazar that morning and she was totally against this increase.

***Councilor Valdez moved to increase the fees for meals at the senior center from \$2.00 to \$3.50, motion seconded by Councilor Garcia.***

***Roll Call Vote:***

***Mayor Pro-Tem:***      *Cecilia Lujan- yes*  
***Councilors:***        *Corey Lewis no*  
                              *Greg Ortega- no*  
                              *Rosario "Chayo" Garcia- yes*  
                              *Pedro Valdez- yes*  
                              *Robert Seeds- no*

***Tied vote. Mayor votes in favor of. Motion carried 4-3.***

1.      Police Department

City Manager Lujan stated that within the Police Department budget, full-time positions increased by \$72,000. He added that he was proposing the closure of the detention center and moving the detention center employees into the Police Department. He stated that this is in response to requests for more police on the street. Holding cells would be left for booking and inmates would be moved to other locations pending arraignment.

City Manager Lujan stated that line items other than salaries had remained flat. Overtime was included in his assessment. Mayor Lucero pointed out grant money available for police car cameras. City Manager Lujan informed her that there was approximately \$12,000 from some 2008 grants that had not been spent. He stated he and Mr. Ron Archuleta were working on getting that money and clarified that the City of Espanola would have to split that money with Rio Arriba County.

Councilor Ortega asked if standby could be brought down to \$12,000. Mayor Lucero suggested \$20,000. Councilor Seeds stated that there had been much discussion but no action in dealing with drugs and this money should be used to finance a couple of people for a specific purpose. Mayor Lucero asked Chief Montoya to look into grants for those purposes.

***Councilor Ortega moved that standby pay be reduced from \$72,000 to \$15,000; motion seconded by Councilor Valdez. Motion carried 6-0.***

Mayor asked for any other discussion. Chief Montoya stated that five of the detention center positions can be moved into other departments. However, there are a few people in detention that do not wish to do police work. James said one of those employees could be placed in the parks department. In addition, he stated that the administrative assistant for the police department resigned. Ms. Victoria Gallegos from the detention center had been moved to that position on an interim basis. Mr. Joaquin Maestas, union president, voiced his trepidation regarding the lack of notice on this issue prior to the meeting.

Judge Salazar stated that he had reviewed the booking/arraignment process with council and stated that he had faith that, with the help of Ms. Gallegos, this process would work. Chief Montoya informed the council that the detention officers would have one year to become certified police officers. Because of this fact, they would focus more on the booking process during that time. He stated that this would allow the council to revisit the issue and evaluate the process next year.

Councilor Seeds suggested placing one additional officer on stand-by per shift to allow for any emergency situations. Councilor Seeds asked if they could return to the stand-by line item.

***Council Ortega amended his motion and moved stand-by be reduced from \$72,000 to \$30,000; seconded by Councilor Seeds. Motion carried 6-0.***

***Councilor Garcia moved to approve Police Department budget with changes; motion seconded by Councilor Valdez. Motion carried 6-0.***

2. Fire Department

City Manager Lujan stated that there are some increases for certification that are necessary over the course of the year. In addition, a professional services line item has been added to account for \$36,000 to be paid to the Medical Director.

3. Municipal Court

Mayor Lucero pointed out that the municipal court budget presented a 3% increase for the salary of employees. All councilors agreed that because a pay increase could not be made across the board for all City of Española employees, they could not approve an increase for just court staff.

***Councilor Valdez made motion to approve Municipal Court budget without the salary increases; seconded by Mayor Pro-Tem Lujan and Councilor Garcia. Motion carried 6-0.***

Judge Salazar asked the council for a commitment that the court will be moved to a better facility. City Manager Lujan stated that with the closure of the Detention Center, the move could most likely be accommodated. Mayor Lucero asked that upon completion of the plans, they be brought in front of the city council.

B. Community Services

Ms. Joyce Sandoval stated that they have proposed to only have the community services director funded from this dept. The only other funding would be \$1,500 for an aquatics coordinator and certification that would allow the aquatic coordinator to train any new lifeguards hired on a seasonal basis.

Ms. Sandoval stated that previously, the Plaza Director was paid from this budget. Mr. Andrew Herrera would be taking the Recreation Director position for the next fiscal year. City Manager Lujan stated that the plaza would be cared for and coordinated by Mr. John Werenko. Councilor Ortega asked whether there would be money put forth on our part. City Manager Lujan replied that the City of Española would pay \$60,000 and maintain oversight. Therefore, approximately \$40,000 would be saved by doing this transfer.

C. Library

City Manager Lujan stated that library reference materials were raised as a necessity to receive state funding. No part-time position would be funded. Councilor Seeds asked how many positions were in the library. City Manager Lujan informed him there were four. Councilor Seeds recommended keeping the part time employee so that the library would have an adequate amount of staff.

Councilor Ortega agreed with Councilor Seeds and suggested the \$8,600 cut be put back into this budget for the purpose of the part-time employee position. City Manager Lujan requested that amount be \$5,000 so that the demands of the state could be met.

*Motion made by Councilor Ortega to increase the amount of the library budget by \$5,000 for the purpose of hiring a part-time employee; seconded by Councilor Seeds. Motion carried 6-0.*

D. Recreation

Ms. Sandoval stated that there was a decrease in the salary amount from the Recreation Coordinator to the Plaza Coordinator. The Plaza Coordinator made \$1/per hour less. Therefore, with that shift it dropped the salary by \$2,000. City Manager Lujan said the rest of the budget was cut by \$12,000. Councilor Valdez asked why there was still monies left for seasonal. Ms. Sandoval responded that they will be used in May.

Councilor Valdez questioned the purchases made from the food supplies line item. Ms. Sandoval stated these were for the stroke center. She explained that the decision to create this line item was made out of an urgent need of food for the senior center.

E. Plaza

The City Manager explained that the top portion of this section indicated revenue. In addition, the Lodger's Tax would be used simply for promoting the plaza. Mayor Lucero added that she had a discussion with Rep. Nick Salazar and Ms. Lillian Martinez during which they asked for a proposal for the library or plaza to use \$27,000.

F. Parks

Ms. Sandoval indicated that the change to this department was to fund a service worker position. An employee from the detention center would be moving to this position.

Councilor Valdez stated that in the future new vehicles should be purchased for this department. Ms. Sandoval stated that monies from the franchise tax would be needed and such an increase had to have approval by the council. Mayor Lucero stated that she was looking to bring an ordinance before the end of the fiscal year regarding the franchise tax. Councilor Seeds asked which agreements were up for renegotiation. City Manager stated that Jemez, PNM, and the telephone franchise would be. The cable franchise would not be due until 2013.

G. Senior Center

City Manager Lujan stated that there had been a proposal to remove the part-time fitness trainer position. Mr. Len Cata stated that he planned to schedule time between himself and Ms. Josephine Velasquez to fulfill those duties so they could remove that position.

Councilor Ortega asked if healthcare insurance had gone up so much that it would warrant such an increase. Ms. Joyce Sandoval stated that with open enrollment, the amount would fluctuate. Councilor Ortega asked what percentage the city must pay. Mr. Joaquin Maestas informed him that the city share is 75% and the employee share is 25%.

Councilor Ortega stated that there was a line item indicated on the budget for this year where nothing was appropriated and money was spent. Ms. Sandoval said an adjustment was necessary for an air conditioner which is a one-time cost.

H. Planning & Zoning

City Manager Lujan stated that there was a decrease of \$7,944 because of the retirement of one employee. Ms. Sandoval stated that the contract for the year with Basham & Basham has caused the professional services line item to go over what was budgeted. However, she stated this line item was lowered to \$5,000 because there is no contract in place. The \$5,000 provides a contingency in the event there is another need for professional services.

I. City Attorney

City Manager stated that a cut of \$4,100 had been made from this budget. Mayor Lucero noted that these expenditures have gone down significantly. Councilor Ortega remarked that an additional \$98,000 had been saved.

VI. MATTERS OF THE CHAIR

VII. ANNOUNCEMENTS

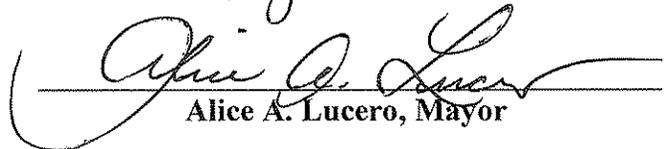
VIII. ADJOURNMENT

*Motion by Councilor Ortega to adjourn meeting; motion seconded by Mayor Pro-Tem Cecilia Lujan and Councilor Garcia. Motion carried 6-0.*

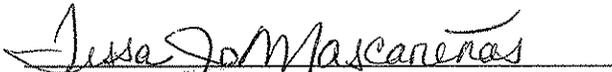
*Meeting adjourned at 9:13pm.*

*Minutes taken and transcribed by Tessa Jo Mascareñas, City Clerk.*

APPROVED AND ADOPTED THIS 2<sup>nd</sup> DAY OF May, 2011.

  
Alice A. Lucero, Mayor

ATTEST:

  
Tessa Jo Mascareñas, City Clerk

