

FINANCE COMMITTEE MEETING

Tuesday, November 20 2012 6:00pm

City Hall Council Chambers

I. Call to Order

Chairman Valdez called the meeting to order at 6:01pm.

II. Approval of Agenda

Motion by Mayor Pro-Tem Salazar to approve the agenda; seconded by Councilor Lewis.

Motion carried 4-0.

III. Committee Member Comments

There were no Committee Member Comments.

IV. Discussion/Action Items

1. Monthly Finance Report – October 2012

ASD Sandoval called attention to page 1 of 6 of her report. She stated that in the General Fund, the City was \$410,036 net revenues over expenditures. She stated that the Water fund had \$353,270 net revenues over expenditures and the Wastewater fund had \$206,656 net revenues over expenditures. She specified that her numbers reflected actual activity, actual monies and actual payments.

ASD Sandoval continued on Page 2 of 6 which reported revenue status. She reported that the Year-to-Date actual compared to what was expected. She stated that revenues were a little bit over the target. She stated that revenues were below target for the Wastewater and Water fund, but were not very far off.

ASD Sandoval stated that General Fund expenditures were under budget and cited this as the main reason for the \$410,000 excess. She stated that expenditures in the Water fund were under budget by almost 12% and in the Wastewater fund by nearly 9%. Councilor Valdez asked if there would be a change in January due to construction. ASD Sandoval replied in the affirmative.

Councilor Martinez asked Public Works Director Martinez if he knew where the money for the Calle Delfina and Calle Ophelia project would come from. ASD Sandoval replied that 50% would be taken from Water operations and 50% would be taken from Wastewater operations.

ASD Sandoval continued that GRT through October increased from the previous year by 11%. She expressed her hope that it would remain, but curbed her remarks by stating that it would most likely drop to 4%. She explained that page 5 of 6 was a pictorial reflection of the General Fund and Administration and Public Safety were the largest expenditures of the budget.

ASD Sandoval stated that page 6 of 6 was a month to month reflection. She stated that, in comparison to the previous year, there had been more expenditures and less revenues.

Councilor Lewis asked why August expenditures had been higher. ASD Sandoval replied that this was due to the fact that billing for insurances like Worker's Compensation and liability which included automobiles and buildings were paid ahead of time.

2. Seed Money for Mayor's Youth Alliance Organization – Councilor Peggy Sue Martinez

Councilor Martinez explained that she had attended a NM Youth Alliance event in Albuquerque and was able to chaperone two (2) youths from the Valley. She stated that she had believed that she would have to start from scratch to create a Youth Alliance, but discovered that the City of Española had already created a resolution. She stated that City Clerk Mascareñas forwarded her a copy. Councilor Martinez stated that she had discovered that progress had halted following the adoption of the resolution. She explained that the NM Youth Alliance was an organization empowering youth to be more involved in their community. She stated that it engaged youth at an age where they were susceptible to learning processes.

Councilor Martinez announced that the Youth Alliance would require a location and representation from all types of children including leaders in the community and those who were not doing so well. She stated that she had brought the issue to the Finance Committee because they would probably need about \$5,000 of seed money to begin. She explained that the money would be used to pay a mentor to attend each meeting and sponsor it. She added that, after hearing the presentation from the Attorney General's office, she felt it was a conflict of interest to be that sponsor.

Councilor Martinez stated that she had spoken with Harry Montoya and Diego Lopez from Hands Across Cultures and Mr. Lopez was interested in being that sponsor. She stated that Mr. Lopez would be required to get the youth started on their activities and the most important part would be that the youth would be allowed to set themselves up in an effective manner. She stated that other organizations would furnish facilities and employees to help them out.

Motion by Councilor Lewis to send the request to full Council with legal review; seconded by Mayor Pro-Tem Salazar.

Motion carried 4-0.

3. Sponsorship of Anti Drink/Drug Community Education Program in collaboration with Rio Arriba County – Councilor Peggy Sue Martinez

Councilor Martinez stated that she had been contacted by Rio Arriba County. She explained that the DWI Program would be setting up a full day intervention program for local 6th graders. She stated that the Santa Claran had donated the venue with the only provision being that the food be paid for at cost. She stated that total costs for the events were estimated to be \$7,000 to hold the event. Councilor Martinez stated that she was approached and asked if the City would be interested in being a co-sponsor and contributing \$2,000-\$3,000. She explained that every 6th grader in the area would attend a full day of anti-drug and anti-alcohol education.

Councilor Valdez stated that the County was receiving money from the State of New Mexico that was supposed to be shared with the City. He requested that Interim City Manager Duran look into where the funds were being used.

Motion by Councilor Lewis to send the request to full Council with legal review; seconded by Mayor Pro-Tem Salazar.

Motion carried 4-0.

4. Reinstatement of Ordinance 2012-08 on Wide Load Permits – Russell Naranjo,
Planning Director

Councilor Valdez stated that he had asked Planning & Zoning Director Naranjo to look into the revision of this ordinance as the City had lost approximately \$6,000.

Planning Technician Vince Baldonado stated that there had been a roundtable discussion with local truckers on October 16th. He stated that they had discussed how to help local movers and their basic issue had been the wait for escorts. He reported that most of the transporters had waited between 1-3 hours to get through the City and they had concern regarding areas where they could safely wait. He stated that they had requested that signage be placed regarding the ordinance and regarding areas that were safe to pull over. He stated that they had requested that annual permit fees be lowered. Planning Technician Baldonado added that it had been determined through the City Attorney that the City could not discriminate between local and out of state movers. He stated that no concerns were voiced by non-local movers.

Planning Technician Baldonado stated that in the past year there had been 969 permits issued generating revenue of approximately \$57,000. He stated that the estimated revenue lost as a result of the suspension of the ordinance was around \$6,500.

Planning Technician Baldonado announced that he had provided the committee with a revised ordinance that had been amended using the discussion points.

Councilor Martinez asked how he had come up with the \$6,500 shortfall “guesstimate”. He stated that it was an average based on his monthly report. Councilor Seeds stated that the Council should be ashamed for looking at what had been lost as far as dollars. He expressed his belief that this had created a trucking tax. He stated that it was amazing that the City could not force the Highway Department to pay. He stated that making someone wait for 1-3 hours for an escort was shameful and the City did not have the manpower to accommodate this ordinance. Councilor Seeds stated that the ordinance had done nothing to improve the safety of the citizens and expressed his belief that it was created as another money source. He stated that he would not support it at the council level.

Planning & Zoning Director Naranjo stated that he appreciated the comments and explained that he had been asked by Councilor Valdez to bring the issue to the Committee. He explained that they had made changes to the ordinance utilizing some of the comments from the previous meeting. He agreed that there was not enough manpower and the biggest concern had been the waiting time. Planning & Zoning Director Naranjo explained that they had communicated with the truckers outside of the meeting and asked what changes they wanted. He stated that nobody had argued about the fees, but rather what their payment got them. He stated that the City was not trying to tax them.

Planning & Zoning Director Naranjo explained that they were trying to assist the locals and had done the best they could to incorporate the comments of the truckers. He stated that the \$6,500 was an average. Councilor Martinez stated that it was still a guess. Planning & Zoning Director Naranjo stated that an average was different than a guess.

Councilor Seeds expressed concern regarding Police Department not having enough coverage. He stated that the City was not meeting requirements and taking them off patrol was not ideal.

Councilor Lewis asked who had been invited from the community. Planning & Zoning Director Naranjo stated that emails and letters had been sent to every person that had gotten a permit. Councilor Lewis replied that he had been contacted by some business owners who had not been notified.

Councilor Lewis asked what had improved with the Police Department since the last time the ordinance had been discussed. Planning & Zoning Director Naranjo stated that he had spoken with Chief Branch who had stated that they would provide a dedicated Public Safety Aide. He added that safe points had been determined for the truckers to pull over safely. Planning & Zoning Director Naranjo added that if a call was made 30 minutes prior to the need for the escort, there was no excuse why the trucker could not continue immediately. He stated that he had not yet been in contact with Acting Police Chief Miguel Maez. Councilor Lewis stated that he agreed with Councilor Seeds and did not think the Police Department was equipped to handle the ordinance.

Interim City Manager Duran stated that the Department of Transportation was willing to conduct training for the officers to escort properly.

Planning & Zoning Director Naranjo stated that there had been discussion regarding the provision of a single person dedicated to escorting that was not an employee of the Police Department, but an employee of the Planning & Zoning Department. He stated that the fees could pay for a contractor. Councilor Lewis asked if there was available manpower. Planning & Zoning Director Naranjo stated that he would be looking into it.

Councilor Martinez stated that the projected revenue shortfall was still a guess and asked what advice had been given by legal counsel. She stated that she was in favor of the possibility of the ordinance, but felt that the safe waiting area needed to be addressed. She stated that there needed to be proper training for escorts and proper communication equipment so the escort would be able to communicate with the truckers.

Councilor Martinez stated that she did not believe that the ordinance was near completion but applauded the amendment effort.

Motion by Councilor Lewis to table the ordinance for further review.

Councilor Valdez stated that he would like to override the motion and send the item to full Council. Councilor Martinez stated that, more times than not, Councilor Valdez had been an advocate for putting issues through committee. She stated that if he overrode the motion, he set it up so there was no need for a committee.

Motion by Councilor Lewis to not send the item to full Council.

Councilor Valdez stated that as Chair he would override the motion so the full Council could make the decision. He stated that \$6,500 was an important amount and could not understand wanting to cut the budget.

Councilor Lewis stated that he felt this was a discussion/action item and the lack of motion recognition was disrespectful. Councilor Valdez stated that he would like to send it to Council and allow everyone to vote. Councilor Martinez stated that it did not seem logical to her. She stated that she did not sit on the committee and she respected the committee. She stated that she believed the process should be respected and the motion to table to supersede anything. She asked City Clerk Mascarenas for input. City Clerk Mascarenas stated that typically the motion to table would

supersede anything; however, it had been agreed by the Council that anything a Councilor requested could go on the agenda for the full Council meeting. She suggested obtaining legal counsel regarding the matter.

Interim City Manager Duran called City Attorney Frank Coppler. By telephone, City Attorney Coppler stated that if the committee could not agree, they should vote on the motion and the majority would rule. He stated that if there were a 2-2 vote, the item would be left in committee.

Motion seconded by Mayor Pro-Tem Salazar.

Mayor Pro-Tem Salazar stated that he felt the issue was important and should be brought back.

Motion carried 3-1.

Councilor Valdez stated that he would like to state for the record that he disagreed with City Attorney Coppler's assessment. He added that he hoped the budget would last through the year given recent decisions.

Councilor Seeds commented that the Council was not there to tax constituents. He stated people were already required to have permits and asked what gave the City the right to charge them again.

Planning & Zoning Director Naranjo asked if the item was tabled until a specific time. Mayor Pro-Tem Salazar stated that it would be up to Councilor Lewis to bring it back at the next Finance Committee meeting.

5. Contract with Dan Cron for Municipal Judge, Stephen Salazar

Municipal Judge Salazar stated that he had requested that Councilor Valdez place this item on the agenda. He stated that the contract would serve as protection and insurance for him and had nothing to do with cases before the Judicial Standards Commission. He stated that all of his obligations had been met.

Councilor Valdez asked where the funds would come from. Municipal Judge Salazar stated that the amount was reasonable enough to absorb it within his budget. Councilor Lewis asked what Councilor Valdez' take on the situation was. Councilor Valdez stated that he would be in favor since the money was in the budget.

Councilor Martinez asked if the money for janitorial services would be used. Municipal Judge Salazar stated that this would have nothing to do with it. He stated that his screener had resigned due to health issues and he had closed out the purchase order causing savings.

Councilor Seeds asked if the Municipal Judge had any other outlets. Municipal Judge Salazar replied that he could ask an Advisory Committee, but it was nice to have someone's undivided attention. Councilor Seeds commented that this was no different than the Council being able to contact the City Attorney.

Councilor Lewis stated that he had trust and faith in Councilor Valdez' thought process.

Motion to approve the request by Councilor Lewis; seconded by Mayor Pro-Tem Salazar.

Motion carried 4-0.

Municipal Judge Salazar stated that he had sent an email on November 6th regarding janitorial services and it had been his understanding that it would be on the agenda.

Councilor Lewis stated that the Council had approved \$10,000 for that purpose. Councilor Valdez stated that the money was in the budget for that purpose; therefore, Municipal Judge Salazar did not have to bring it to Council.

Councilor Herrera clarified that \$10,000 was the total line item amount and the increase for janitorial services was \$6,500.

Municipal Judge Salazar stated that he had wanted the item on the agenda because he needed to get something off his chest. Councilor Martinez stated that she understood Judge Salazar's confusion with trying to get things on the agenda. She stated that she had requested that 3 items be placed on the agenda and if they wanted committees to function full force, they needed to follow suit. Councilor Martinez stated that she thought it was important that when someone contacted the chair of a committee, there be communication.

Councilor Lewis stated that it seemed like people were picking and choosing what did and did not go on the agenda. He stated that anything on the agenda should not have to go through the Mayor, City Manager or City Clerk.

Interim City Manager Duran stated that the item appeared to be contractual and would not have to go before the Finance Committee.

Councilor Martinez stated that she had not heard anything back regarding the use of GRT taxes. She stated that she did not mean she wanted to change anything, but rather she wanted to educate herself. She expressed disappointed that the item was not on the agenda.

Councilor Seeds said that the money was in his budget so he could go through the process. Councilor Lewis stated that the item could go on the agenda for the next council meeting. Municipal Judge Salazar stated that he wanted to speak with the committee. He expressed his belief that it would waste time for him to come back in a month.

Councilor Valdez explained that he had understood that what the Municipal Judge had wanted was contractual services. He stated that if he wanted to create a position, it would have to go through Council. He asked if the Municipal Judge was requesting contractual services or an additional staff member.

Municipal Judge Salazar stated that he appreciated the appropriation and could submit a Budget Adjustment Request to make the change. He stated that he did not need the Council's approval because he was an elected official that supervised his own budget. He stated that he would like to transfer the contractual service funds to pay for a temporary position. He stated that, without being disrespectful, he wanted to hire a temporary employee. Councilor Valdez asked Interim City Manager Duran if a temporary position could be approved by him. Interim City Manager Duran stated that the development or creation of a position would have to go through the full Council.

Councilor Martinez stated that the New Mexico Municipal League stated that judges need to be supported. She stated that she thought the Council needed to support Department Heads.

Councilor Lewis asked if the temporary position would exceed the allotted amount. Municipal Judge Salazar replied in the negative. He stated that the Municipal Court had their own supplies. Councilor Lewis stated that he had a difficult time hiring a temporary employee since many employees had not had a raise in a long time.

Councilor Seeds thanked Councilor Lewis for his remarks. ASD Sandoval stated that temporary employees could work up to 40 hours per week. She stated that they are appointed for 90 days and can be extended.

Municipal Judge Salazar stated that he would like to hire a temporary employee as the City was already half way through the fiscal year.

6. Request for Purchase of polycarts for City residents and North Central Solid Waste – Councilor Pedro Valdez

Councilor Valdez stated that he would like to continue providing \$30,000 per year for new polycarts. He explained that polycarts were being broken by the new trucks.

Councilor Lewis stated that the item had to do with the North Central Solid Waste Authority and Councilor Martinez had requested a related item on the agenda. Councilor Valdez stated that the EGRT would be discussed during the December meeting. Councilor Valdez stated that he did not want to discuss the issue again. He stated that he had let Councilor Martinez know that they would discuss the item in December as it would take 1-2 hours to discuss it in detail.

Mayor Pro-Tem Salazar stated that Councilor Valdez had sent an email at 2:35pm stating that he and Councilor Martinez had come to an agreement. He stated that Councilor Valdez had lied. Councilor Martinez stated that she had never spoken with him and wanted to know the City's requirements to NCSWA. Councilor Valdez stated that he would not be discussing the issue.

Motion by Councilor Lewis to table the item until the next finance committee meeting; seconded by Mayor Pro-Tem Salazar.

Councilor Lewis stated that he would hope that both items would be on the agenda the next time.

Councilor Martinez stated that the City had responsibilities to NCSWA and it was necessary to meet those requirements. She stated that it would be relevant to have Manager Gino Romero address the full council.

Motion carried 3-1.

7. City Employees One-time Cost of Living Adjustment – Joe Duran, Interim City Manager

Interim City Manager Duran stated that employees had not received an increase for 7 years. He explained that the Committee had been given 3 percentages by which a Cost of Living Adjustment (COLA) could be done. He requested some action to take to full council. He stated that he would recommend a COLA no higher than 5%. Councilor Valdez asked what the total cost of a 5% COLA would be. ASD Sandoval replied that it would be \$229,000.

She stated that because it was a one-time COLA, only federal and state required taxes would be taken out. Councilor Valdez stated that he would like to approve the 5% COLA.

Councilor Lewis stated that he would like to give the employees something and expressed his belief that a one-time across the board COLA was unfair. He stated that the approval of a permanent salary increase should be sent to full council.

Councilor Seeds agreed with Councilor Lewis and added that the additional \$400,000 in the coffers would not last into the New Year. He stated that things would deteriorate once the holidays were over.

Councilor Lewis stated that CVS and another gas station would be coming in. He explained that this was the reason that he had come up with the idea of the permanent salary increase. Councilor Martinez stated that she thought it was important to think of where the City was at. She stated that she knew it was unfair to compare Española to Santa Fe and Los Alamos.

Councilor Valdez stated that a permanent salary increase would affect the City to where there had to be furloughs.

AFSCME Local 1188 Union President Joaquin Maestas stated that he believed this was an important discussion. He applauded the comments of Councilor Lewis and reported that 25% of the workforce had been lost. He stated that the work had been picked up by other employees and expressed his belief that an increase near the holidays was important. He added that when money was spent on contractors and temporary employees, the General Fund was drained.

AFSCME Local 1188 Union President Maestas stated that importance needed to be placed on fiscal responsibility and employees had done a good job at keeping spending down. Councilor Martinez stated that she believed what AFSCME Local 1188 Union President Maestas was saying about outside contractors and she asked his feelings regarding a small shot in the arm and possibly a smaller rate increase long term. AFSCME Local 1188 Union President Maestas stated that the budget had been balanced on the backs of employees for 7 years and he did not doubt her intentions, but things had previously not materialized. He stated that he therefore, thought that as much as possible should be appropriated at the current time.

Councilor Martinez stated that she did not feel it was right to pay someone the same amount for 7 years. She explained that she had increased her rates as a barber. She expressed her belief that if an employee was making the same today, they were losing money. She stated that the last thing she would want to bring to fruition was furloughs.

AFSCME Local 1188 Union President Maestas stated that the numbers they had been presented with were feasible and a 5% COLA at this time was not outside the realm of possibility.

Councilor Seeds stated that 5% raises would not work because the people at the higher end would get more. He stated that criteria needed to be put into place so those at a higher level did not make as much. He stated that a single percentage for everyone would not work.

Councilor Martinez asked if it was feasible to tier raises according to salary. ASD Sandoval stated that, in order for it to be a COLA, it had to be a set percentage. She explained that a set amount for each employee would be considered a bonus and would be a violation of the law. She added that a COLA had to be based on annual salary.

Councilor Valdez stated that he believed all employees had done great work. He stated that he was not sure why the supervisors had not gained employment at a higher rate in Santa Fe or Albuquerque.

He stated that the Council should look at what they can do about raises during the budget process in March.

Councilor Seeds disagreed with ASD Sandoval and stated that he believed they could refer to it as a COLA. He stated that he had done this many times in the City and it was legal then and remained legal.

Mayor Pro-Tem Salazar thanked the employees and expressed his belief that they should be given what was right.

Councilor Seeds stated that he would propose that employees earning over \$40,000 get a COLA of 1% or 1.5%.

Interim City Manager Duran stated that he felt the need to defend the assertion of ASD Sandoval. He stated that an actual dollar amount could not be given, but a percentage would be acceptable. He added that some of the supervisors were out at all hours. He cited Public Works Director Martinez as an example. He stated that he was often out on a backhoe or directing projects. Interim City Manager Duran stated that he, personally, would have no issue not gaining a COLA as long as the other employees got one. He added that the employee's in utilities were often abused by the public and had to deal with it in a patient and professional manner. He asked that they think of employees like them. He agreed that a long term raise needed to be looked at during the budget process.

Councilor Lewis stated that he would like to send both issue to full council.

AFSCME Local 1188 Union President Maestas stated that the holiday was creeping up and December 7th would be the next payroll. Councilor Valdez stated that he would hate for the discussion to be snagged by arguments regarding who deserved more. AFSCME Local 1188 Union President Maestas added that he agreed with Councilor Seeds that the lower paid employees should get an increase, but believed that those who had worked or studied their way up should not be penalized. AFSCME Local 1188 Union President Maestas stated that to choose any arbitrary number would penalize some including those employees that had worked for 10-12 years and had increased their salary. He stated that it would be a shame to penalize people for their hard work as the City worked like a family. He stated that employees should be rewarded for attaining higher levels.

Councilor Martinez stated that she wanted to give Lt. Ron Padilla an opportunity to discuss what the employees were going thru at the Fire Department. She agreed with Councilor Valdez regarding getting snagged up in any sort of argument. She stated that the Council needed to agree to do the most for each and every employee.

Lt. Ron Padilla stated that he would not comment on a pay raise as the Fire Department union was currently in negotiations with management.

Councilor Seeds stated that if there were a system where City employment kept the cream of the crop, he would be in favor of an across the board percentage. He stated that granting a percentage for everyone would work if there were an evaluation system in place.

AFSCME Local 1188 Union President Maestas stated that an evaluation system was in place. He explained that 10 years prior, the City Council committed to a pay scale. He stated that it had not been used because there was not money to fund it. He stated that the City had to be fiscally prudent in order to pay employees what they were worth.

He added that in every department, employees were being trained for other entities. He stated that they could not offer a better environment to work and that was why the current employees remained. He stated that the way to know that the City of Española had the cream of the crop was to examine the fact that so many employees had lasted through all of the hard work. He stated that to say that management did not deserve an equal percentage was incorrect.

Councilor Martinez suggested a compromise.

ASD Sandoval explained that all but one of the firefighters would be considered above the average salary. She cited the reason for this as the fact that they put in more hours per year than a regular employee. She stated that when an annual salary was computed, they ended up in the above average category.

Interim City Manager Duran stated that the items under negotiation were non-economical so Lt. Padilla could comment on the issue. Lt. Padilla stated that they had recently lost 3 employees. He agreed with AFSCME Local 1188 Union President Maestas' comment regarding the fact that the cream of the crop had remained. He added that when the Fire Department worked 48 hour shifts, they were up all night.

He stated that it was not fair to do the math as had been discussed. He explained that when the gas shortage occurred, the firefighters stayed while other employees went home.

Councilor Seeds stated that he had pushed for raises all the years he had been a Councilmember. He stated that he would not be comfortable if they gave raises that suited everyone now and then there were furloughs in 6 months. He stated that they would approve something at the meeting the following Tuesday. Councilor Seeds added that if it were up to him, every employee would get 10% or more.

Motion by Councilor Lewis to send the one-time Cost of Living Adjustment to full council; seconded by Mayor Pro-Tem Salazar.

Motion carried 4-0.

Motion by Councilor Lewis to send a permanent increase for all employees to full Council; seconded by Mayor Pro-Tem Salazar.

Councilor Martinez stated that she would like the unions to sit down with Interim City Manager Duran prior to the next meeting. She stated that she would like them to come to an agreement regarding how the COLA could be most effective and fair without over extending the City. She stated that when vested people are part of the solution, the solution works best for everyone.

Motion carried 4-0.

Public Works Director Martinez stated that RMCI could do an adjustment and increase in quantities in the amount of \$72,057. He stated that the change order would be mutually beneficial with the entire roadway being repaired with Water Trust Board money. He stated that if the money were not used by December 5th, the City would lose it.

Councilor Lewis stated that he had sent an email regarding Calle Chacoma Vista. Public Works Director Martinez stated that he understood the concern of Councilor Lewis, but the money could not be used for that purpose. Councilor Lewis stated that he understood that it could not be used for that

purpose, but would like Public Works Director Martinez to follow up. He stated that fire hydrants being covered by a fence created a public safety issue and the patchwork on the roadway was incorrect. Public Works Director Martinez stated that resurfacing would be done the next week. He explained that it had not been done as employees had been working on the softball fields. Public Works Director Martinez added that he would have to talk to the property owner as the fire hydrants were on private property.

Public Works Director Martinez stated that there had been some problems on Buena Vista and he had requested a price quote for the cost to replace the dilapidated lines. He stated that if they replaced the sewer line and patched up the roadway, it would cost \$110,000. He stated that if it were done correctly it would cost \$140,000. He explained that there would be an increase in quantities to existing change order #2.

Public Works Director Martinez stated that the work would be done by RMCI. Councilor Seeds asked why they kept doing more work for the City. Interim City Manager Duran explained that the issuance of an RFP would cost more money. Public Works Director Martinez added that RMCI had hired 21 local residents. Interim City Manager Duran stated that RMCI had the lowest bid. Councilor Seeds asked if the measure would have to go through the Council. Interim City Manager Duran explained that they wanted to make the council aware of it.

Councilor Martinez clarified that this was on her street. Councilor Seeds stated that it was not Councilor Martinez' street, rather it was a City Street. Councilor Martinez asked why sewage lines would be replaced and not the water lines. Public Works Director Martinez stated that there had been no water leaks except for the one across the road from Councilor Martinez' home. Councilor Martinez stated that there had been a leak at the fire hydrant.

Public Works Director Martinez stated that both lines could be done but he did not see a necessity because there had been no problems with the water line.

Mayor Pro-Tem Salazar exited at 8:48pm.

Councilor Seeds asked if there had been an agreement regarding the Acting Police Chief's salary. Interim City Manager Duran stated that he and Acting Chief Maez had met earlier in the day and Acting Chief Maez had informed him that he would be resigning his employment. Councilor Seeds asked how much was in the line item. Interim City Manager Duran replied that the City Manager had been budgeted at \$90,000 and he was also making less. Councilor Seeds stated that the reason had been that the Council had given the Mayor the authority to negotiate with the Interim City Manager but not with the Acting Police Chief. He stated that he would hope that this would be corrected. He stated that if it were not, he would have a field day at the next Council meeting.

V. Matters of the Chair

VI. Announcements

VII. Adjournment

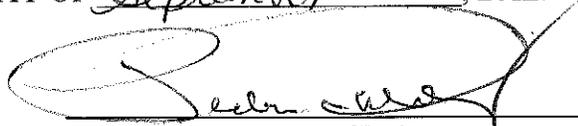
Motion by Councilor Lewis to adjourn; seconded by Councilor Herrera.

Motion carried 3-0.

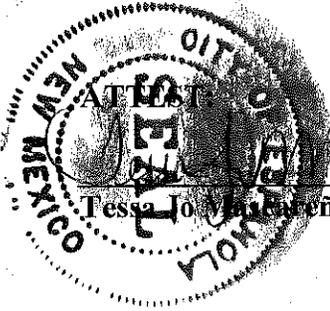
The meeting was adjourned at 8:51pm.

Minutes taken and transcribed by Tessa Jo Mascarenas, City Clerk.

APPROVED AND ADOPTED THIS 13th DAY OF September, 2013.



Pedro Valdez, Chairman



Tessa Jo Mascarenas
Tessa Jo Mascarenas, City Clerk