



**MINUTES OF THE REGULAR RATON CITY COMMISSION
MEETING HELD ON TUESDAY, MARCH 26, 2019 AT 6 PM**

I. CALL TO ORDER:

Mayor Segotta called the meeting of the Raton City Commission to order at 6:00 p.m.

II. ROLL CALL/ATTENDANCE:

Answering roll call was: Mayor Neil Segotta, Mayor Pro-tem Linde' Schuster, Commissioners: Lori Chatterley, Ron Chavez and Don Giacomo. Also present were City Manager Scott Berry, Clerk/Treasurer Michael Anne Antonucci and 15 visitors.

III. PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA

IV. RECOGNITION OF VISITORS, CITIZEN OF THE MONTH AND/OR PRESENTATION OF PROCLAMATION, SERVICE AWARD, CONGRATULATIONS, CONDOLENCES, HOLIDAY SCHEDULES AND CITY/MUNICIPAL EVENTS:

- **Notice of Potential Quorum: A quorum of Raton Water Works Board Members and Raton Public Service Board of Directors may attend this meeting under item B. for the presentation of the FY18 Approved Audit Report by Carr, Riggs & Ingram, LLC.**
- **Next Regular Commission Meeting Tuesday, April 9, 2019 at 6 p.m.**
- **Notice of Potential Quorum: A quorum City Commissioners may attend the NM Municipal League District 3 Meeting in Las Vegas, NM on April 10th from 10 a.m. to 4 p.m. at the Plaza Hotel located at 230 Plaza Park.**

V. COMMENTS FROM THE GENERAL PUBLIC:

None.

VI. COMMITTEE REPORTS FROM COMMISSIONERS:

Commissioner Chatterley attended the NCNMED meeting on March 22nd and reported that Thomas Garcia was still the Interim Director but they will hire someone in April to fill the position. There was discussion on including admin costs into Capital Outlay requests which would help small towns. She also noted that the AAA Manager and Finance Director positions were vacant and that AAA is working on the Senior Center contracts. Commissioner Chatterley announced that there would be Infrastructure Capital Improvement Plan (ICIP) training on May 17th at Highlands. She also reported that Scott Beckman, the Community Development Manager, was present at the meeting and is helping with the VISTA volunteer for the Coal Camp Kitchen. The next NCNMED meeting will be June 21st. Commissioner Chatterley reported that she met with representatives on March 15th regarding the "Walk Your City Initiative" to discuss and coordinate

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signage such as a map near the Multi-modal showing “you are here and it is a 5 minute walk to ...”. The Branding Committee also held a meeting on March 11th and discussed way finding signage to affix to light poles and finalized the taglines. Commissioner Chatterley reported that Jessica Barfield is working on the Albuquerque Summer Guide and that they want to use local outdoor photos for banners. The committee is also working on ideas for a monument sign and for monetizing the sale of swag with the new brand. The Branding Committee will meet again on April 8th. Commissioner Chatterley reported that the benefit concert at the Shuler on March 16th was a success and raised about \$1,300 for the Summer of Color. Additional donations were also received from the Whited and Sloat Prince Foundations and also from an anonymous donor. Commissioner Chatterley thanked City Manager Berry for taking her on a field trip of the RPS facilities and commended RPS for the fine job that they do and was impressed by the company’s history.

Commissioner Giacomo attended the RPS meeting held on February 27th and reported that they were given a presentation by Innersol on solar power. Jessica Gonzales presented the financial report and statistics. He also reported that General Manager Chavez reported on a policy for credit cards and the board discussed and approved the ECA energy adjustment. Dave Piancino reported that the natural gas unit was not run last month and that RPS had a fire recently at the substation south of town. Commissioner Giacomo attended the Library board meeting on March 19th and reported that they are updating the Koha cataloging system. He also reported on the monthly attendance, money collected and noted that the Library received the 2nd half of the State Library Grant and that circulation was down in January and February.

Commissioner Chavez attended the Raton Water Works Board meeting on March 19th and reported that Lake Maloya is spilling and that the City will receive its full allotment from Eagle Nest this year. The RWW General Manager also provided a report to the board on the Hart/Brilliant project, Filter Plant Project and they approved the purchase of a new John Deere Backhoe. There was also discussion on a proposed water rate increase. Commissioner Chavez reported that Geneva Trujillo received her Chief Procurement Officer Certification recently. He also reported that he attended the Financial Advisory Committee meeting held on March 25th and that the financials were approved for recommendation to the Commission for approval.

Mayor Pro-tem Shuster attended the Water Board meeting held on March 19th and reported that she was unable to attend the March Housing Authority meeting and Chamber meeting but did report that the Chamber hired a new coordinator at the Visitor Center and that they currently have a shortage of State maps but was told by the NMDOT that they should have some soon once they update them with the Governor’s photo. Mayor Pro-tem Schuster attended the Coal Camp Kitchen meeting on March 18th and announced that there would be an open house on April 2nd. She also reported that Crime Stoppers has posted a message on their website to building owners who have vacant and boarded up buildings.

Mayor Segotta attended the RPS Board meeting held on February 27th. He also reported that he went to Washington D.C. with the Municipal League and delivered the City of Raton’s Opportunity Zone Project to our delegation and discussed the possibility and process for extending the opportunity zone further into Raton which he found out may not be possible.

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VII. ACTION ITEMS/ PUBLIC HEARINGS/ORDINANCES/ RESOLUTIONS/ CITY MANAGER'S REPORT- The City Commission may discuss and/or take actions on the following agenda items:

A. *Approval of the March 12, 2019 Regular Commission Meeting Minutes and Revision of February 12th Special Joint City Commission and RPS Meeting.*

A motion was made by Commissioner Chavez to approve the March 12, 2019 Regular Commission Meeting Minutes. He further noted that no revisions were made to the February 12th Special Joint City Commission and RPS meeting. The motion was seconded by Mayor Pro-tem Schuster and carried 5-0 with all voting "aye".

B. *Presentation of FY18 Approved Audit Reports by Carr, Riggs & Ingram, LLC.*

A.J. Bowers with Carr, Riggs & Ingram, LLC distributed the final approved audit reports for FY2018 and gave a power point presentation that included review of the audit timeline, financial statement highlights, airport single audit highlights, a review of new and upcoming standards and value-added suggestions. He also reported that City of Raton and Raton Public Service both received an unmodified audit which is the best opinion available. He then reviewed the 6 findings that were identified in the report. Mr. Bowers also reported that they tested compliance and controls for the Airport Federal Single Audit and that no findings were reported. He concluded his presentation with an overview of the new GASB standards with regards to pension liability, retiree health liability, post employment benefits and a new standard effective in 2019 regarding leases. There was no further discussion and the Commission thanked him for his presentation.

C. *Deliberate and Act on Resolution 2019-16: Acceptance and Approval of FY18 Audits.*

City Manager Berry reported that adoption of a resolution accepting and approving the FY18 audits was a new DFA requirement and recommended approval. A motion was made by Mayor Pro-tem Schuster to approve Resolution 2019-16: Acceptance and Approval of FY18 Audits. The motion was seconded by Commissioner Giacomo and carried 5-0 with all voting "aye".

D. *Deliberate and Act on Board Appointments to Raton Water Works Board and Library Board.*

City Manager Berry reported that Mark Morris submitted an application to be considered for another 6 year term on the Water Board and that in the process of updating the board listings it was found that all of the Library Board positions had expired therefore all of the current board members submitted applications for re-appointment and would serve the remainder of each of their terms to maintain the 5 year stagger. As a result, Ron Schuster would expire March 2020, Janis Schruppert March 2021, Joe Rodman March 2022, Harold Brewer March 2023 and Carol Woodworth March 2024. City Manager Berry recommended approval of the appointments. A motion was

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made by Commissioner Chatterley to approve the board appointments to the Raton Water Works Board and Library Board as presented. The motion was seconded by Commissioner Giacomo and carried 5-0 with all voting "aye".

E. *Deliberate and Act on MOU Between the City of Raton and Raton Little League.*

City Manager Berry introduced the MOU. Representatives from Raton Little League were also present to answer any questions. Kenneth Long, the Raton Little League President, distributed copies of the certificate of insurance and non-profit status. Mayor Segotta thanked the group of volunteers for stepping up and recommended approval stating that it was a good partnership with the City of Raton. A motion was made by Commissioner Chavez to approve the MOU Between the City of Raton and Raton Little League. The motion was seconded by Commissioner Chatterley and carried 5-0 with all voting "aye".

F. *Deliberate and Act on Revised Economic Development Agreement with Hi-Bay Enterprises.*

City Manager Berry stated that the Commission approved an agreement at the last meeting but that Joe Rodman brought to his attention that certain revisions were missing. City Manger Berry stated that page 3 section 3b was revised to read from the date the facility is open to the public. "Job" means a permanent, full-time position or the equivalent (at least 32 hours per week). It was also noted that 4 d was revised to state commencing on the date of the opening of the Project. A motion was made by Commissioner Giacomo to approve the Revised Economic Development Agreement with Hi-Bay Enterprises. The motion was seconded by both Commissioner Chavez and Mayor Pro-tem Schuster. The motion carried 5-0 with all voting "aye".

G. *Deliberate and Act on Economic Development Services Agreement with the Center for Community Innovation.*

City Manager Berry reviewed the agreement for the \$10,000 stipend that was awarded for the services described on page 2 of the scope of work. He also noted that the term would be until June 30, 2020. A motion was made by Commissioner Chatterley to approve the Economic Development Services Agreement with the Center for Innovation. The motion was seconded by Mayor Pro-tem Schuster and carried 5-0 with all voting "aye".

H. *Deliberate and Act on Award of Lodgers Tax Funding to Attend Outdoor Retailer Show in Denver June 18-20, 2019.*

City Manager Berry stated that the NM Partnership has extended an invitation to partner with the state in attending the Outdoor Retailer Trade Show that will be in Denver Colorado, June 17-20. He also noted that the City of Raton has identified outdoor recreation as part of its economic development plan. Jared Chatterley was present and stated that this was a huge opportunity since the show is normally in Salt Lake City, Utah and would be a great chance to promote Raton and its recreation opportunities. He also noted that the show had 26,000 attendees last year. Mr. Chatterley explained that the opportunity came up quickly and has not gone to the Lodgers' Tax Board due to the

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deadline required. The proposed cost to participate would be \$3,950 plus materials to distribute and travel costs. Jared also stated that he will reach out to area partners such as the NRA and Colfax County to see if they would contribute. Discussion followed on the plans to develop the Crazy French Ranch in Southern Colorado and the need to take advantage of this opportunity to attend the show to promote Raton's recreation opportunities. A motion was made by Commissioner Chavez to award \$4,000 from the Lodgers' Tax Non-Promo Fund to attend the Outdoor Retailer Show in Denver June 18-20, 2019 and come back for additional funds if needed. The motion was seconded by Mayor Pro-tem Schuster and carried 5-0 with all voting "aye".

I. *Deliberate and Act on Department of Homeland Security Sub-recipient Grant Agreement for 2019 DOE WIPP Safe Transportation Program.*

City Manager Berry introduced the grant agreement and informed the Commission that Deputy Fire Chief Anthony Burk was present to answer any questions. He further stated that the Fire Department has been awarded \$28,645.50 from the Department of Homeland Security to purchase protective clothing and radiation monitoring/detection equipment. He also noted there was a short window and that the funds must be spent by May 31, 2019. Deputy Fire Chief Anthony Burk stated that the equipment would be updated to newer standards and that they have already obtained the quotes for the purchases and would request purchase orders upon approval. A motion was made by Commissioner Giacomo to approve the Department of Homeland Security Sub-recipient Grant Agreement for 2019 DOE WIPP Safe Transportation Program. The motion was seconded by Mayor Pro-tem Schuster and carried 5-0 with all voting "aye".

J. *Deliberate and Act on Letter of Engagement from Modrall Sperling for Bond Counsel Services related to Refunding of NMFA Aquatic Center Loans.*

City Manager Berry introduced the proposal stating that it was for Modrall Sperling's Bond Counsel Services related to the refunding of the NMFA Aquatic Center Loans which were not included in the previous agreement. The fee for their services is \$15,000 plus tax. He further explained that it was during discussions on the transfer station financing that the City saw an opportunity to realize interest savings on the Aquatic Center debt if refinanced at a lower interest rate. Evan Kist with RBC and Daniel Alsup with Modrall Sperling were both present via conference call and gave the Commission an overview of the Transfer Station financing noting that the City was eligible to receive 10% of the loan amount at a 0% interest rate. They also explained that it is usually beneficial to refinance debt when the % of savings is 3% and that the City was at 12.214% with regards the Aquatic Center loans and would replace it with less costly debt. According to the analysis prepared by RBC, the refunding gross savings would be about \$590,000 and the net present value savings \$409,689. Daniel Alsup reviewed the timeline and noted that the loan ordinances would be adopted on April 23rd, the NMFA board would then meet to approve on April 25th and would set the interest rates on May 20th with a loan closing on June 7th. A motion was made by Mayor Pro-tem Schuster to approve the Letter of Engagement from Modrall Sperling for Bond Counsel Services related to Refunding of NMFA Aquatic Center Loans.

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The motion was seconded by Commissioner Giacomo and carried 5-0 with all voting "aye". Another motion was made by Mayor Pro-tem Schuster after action was taken to authorize City Manager Berry to sign the agreement. The motion was seconded by Commissioner Giacomo and carried 5-0 with all voting "aye".

K. Deliberate and Act on Resolution 2019-17 – Authorizing and Approving Submission of Application for Financial Assistance and Project Approval to New Mexico Finance Authority.

City Manager Berry introduced the resolution and recommended approval. A motion was made by Commissioner Chatterley to approve Resolution 2019-17 – Authorizing and Approving Submission of Application for Financial Assistance and Project Approval to New Mexico Finance Authority. The motion was seconded by Commissioner Giacomo and carried 5-0 with all voting "aye".

L. Deliberate and Act on Introduction of Ordinance Authorizing the Execution and Delivery of a Loan Agreement by and Between the City of Raton and NM Finance Authority for Acquisition and Construction of Solid Waste Facility and Equipment.

City Manager Berry stated that the City will schedule public hearings at the April 23rd meeting. He then read the full title of the ordinance aloud and noted that the City would borrow a principal amount up to \$650,000 for acquisition and construction of solid waste facilities and equipment and that the 1/16th Environmental Services Gross Receipts Tax increment would be pledged to the repayment of the loan. A motion was made by Mayor Pro-tem Schuster to Introduce the Ordinance Authorizing the Execution and Delivery of a Loan Agreement by and Between the City of Raton and NM Finance Authority for Acquisition and Construction of Solid Waste Facility and Equipment. The motion was seconded by Commissioner Giacomo and carried 5-0 with all voting "aye".

M. Deliberate and Act on Introduction of Ordinance Authorizing the Execution and Delivery of a Loan Agreement by and Between the City of Raton and NM Finance Authority for the Purpose of Refunding and Discharging the Outstanding 2007 Aquatic Center Loan.

City Manager Berry read the full title of the ordinance aloud. A motion was made by Commissioner Chatterley to Introduce an Ordinance Authorizing the Execution and Delivery of a Loan Agreement by and Between the City of Raton and NM Finance Authority for the Purpose of Refunding and Discharging the Outstanding 2007 Aquatic Center Loan. The motion was seconded by Mayor Pro-tem Schuster and carried 5-0 with all voting "aye".

N. Deliberate and Act on Introduction of Ordinance Authorizing the Execution and Delivery of a Loan Agreement by and Between the City of Raton and NM Finance Authority for the Purpose of Refunding and Discharging the Outstanding 2009 Aquatic Center Loan.

City Manager Berry read the full title of the ordinance aloud. A motion was made by Commissioner Giacomo to Introduce Ordinance Authorizing the

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Execution and Delivery of a Loan Agreement by and Between the City of Raton and NM Finance Authority for the Purpose of Refunding and Discharging the Outstanding 2009 Aquatic Center Loan. The motion was seconded by Commissioner Chatterley and carried 5-0 with all voting "aye".

O. Deliberate and Act on Resolution 2019-18: Disposal of Surplus Property

Jason Phillips was present and informed the Commission that the 1997 Ford F-150 Pickup in the Sanitation Department was recently involved in an accident on the Clayton Highway and that the insurance of the other driver, who caused the accident, has determined that the vehicle is totaled and they have offered the City \$5,213.67 for the loss of the vehicle. Mr. Phillips recommended that the City accept the offer and remove the vehicle from the fixed asset inventory. A motion was made by Commissioner Giacomo to approve Resolution 2019-18: Disposal of Surplus Property. The motion was seconded by Commissioner Chatterley and carried 5-0 with all voting "aye".

P. Deliberate and Act on Resolution 2019-19: February 2019 Financial Reports.

Clerk/Treasurer Antonucci presented the Commission with the February 2019 financial reports and gave a summary of the ending cash balances in all funds: General Fund \$2,313,217; Special Revenue \$2,060,751; Capital Projects \$307,362; Debt Service \$2,539,819; Solid Waste Enterprise \$574,298; Trust & Agency \$15,201 and Landfill Trust \$346,551. She also reported that the March GRT Distribution, representing January sales, was down \$42,757 per budget and that the March 2019 distribution for the Water Supplemental GRT reflects the ¼% decrease that went into effect January 1st. Clerk/Treasurer Antonucci reported that the Small Cities Assistance was received on March 1st in the amount of \$390,276 which is about \$190,276 more than budgeted and will be used to cover the GRT shortfall through the end of the fiscal year. She further noted that they will meet with department heads soon to determine what their needs are prior to the end of the fiscal year and determine what can be funded now or budgeted for fiscal year 2020. The City of Raton will also start the budget process for the next fiscal year and must submit an Interim Budget by June 1st. A motion was made by Commissioner Giacomo to approve Resolution 2019-19: February 2019 Financial Reports. The motion was seconded by Mayor Pro-tem Schuster and carried 5-0 with all voting "aye".

Q. Deliberate and Act on Resolution 2019-20: FY19 Budget Adjustment #12

Clerk/Treasurer Antonucci review the budget adjustment request and recommended approval. She noted that the request was mainly line item adjustments in various general fund departments and included a temporary transfer to cover shortfall in GRT until the Aquatic Center admission revenues increase toward the end of the fiscal year after school lets out in May for the summer. The adjustment also includes an increase to legal services for ongoing landfill litigation expenses. A motion was made by Commissioner Chatterley to approve Resolution 2019-20: FY19 Budget Adjustment #12. The motion was seconded by Mayor Pro-tem Schuster and carried 5-0 with all voting "aye".

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R. *City Manager's Report*

City Manager Berry reported the following:

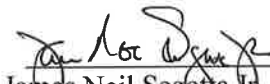
- The State Armory Board has finished the lead remediation and will now complete the actions necessary to transfer the building to the City of Raton. He further noted that the City of Raton already owned the land but not the building.
- The City of Raton will host the NERPO meeting tomorrow at the Convention Center at 10 a.m. The NMDOT and other entities in this region will attend and there will be a Ports to Plains Presentation.
- He will attend a NMED meeting in Santa Fe tomorrow on Opportunity Zones and New Market Tax Credits
- Announced that Ben Ray Lujan's office will hold office hours in Raton at City Hall and that he will send the information to the radio to announce the specific date and time.
- Raton Water Works will be switching to Lake Maloya exclusively because there has been increased turbidity due to snow melt.

VIII. ADJOURNMENT:

The meeting adjourned at 8:06 p.m.

CITY OF RATON

ATTEST:


James Neil Segotta Jr., Mayor


Michael Anne Antonucci, City Clerk