

**Meeting Minutes
Special Meeting
February 28, 2023**

The Village of Capitan Board of Trustees met in a Special Meeting on Tuesday, February 28, 2023 at the Village Hall in Capitan, New Mexico at 5:30 PM.

Mayor Lowrance called the meeting to order at 5:30 PM.

Roll Call: Mayor Lowrance – present, Trustee Kearns – present, Trustee Shearer – present, Trustee Fraley – present, Trustee Hair – present. Al Cavazos – Village Clerk, Angela Autrey –Deputy Clerk/ Administrative Assistant, Steve Osborn – Water Department Supervisor, Randy Spear – Police Chief, and Zach Cook – Village Attorney were also present. A list of others in attendance is attached.

Item #1 on the Agenda: Approval of the Agenda.

Trustee Hair made a motion to Approve the Agenda. Trustee Fraley seconded the motion.

Discussion: There was no discussion of this item.

Roll Call: All were in favor, the motion carried.

Item #2 on the Agenda: Public Input. (2 Minute Limit per Speaker).

There were no public comments.

Item #3 on the Agenda: Mayor and Trustee Comments

Trustee Hair had no comments.

Trustee Fraley commented that no one likes to raise rates, but we are at a point where we are not breaking even. We are going to have to reach some conclusion. He was glad that some of their input was put into the new proposals, and he is thankful for that.

Trustee Shearer had discussed with Angela before the meeting the need for us to get these audits done, I know that you guys are doing your best and this is not a gotcha or anything. We have 18 days left at the legislative session and if we are going to manage to get any Capital Outlay, we are still subject to that 2013 executive order. We just have to do whatever it takes to get it wrapped up. If it means each one of us calling the accountant, sitting in the state Auditors Office. It's killing us!

Trustee Kearns I would just like to follow up on what Trustee Shearer was just saying. I learned just the other day that Healing Americas Hero's lost out on funding that they had been expecting because we are behind on our audits. They are in a bill for a \$6,000. Bill for appropriation that doesn't come through us, but we still need to get on top of this, because we are the ones not able to get funding.

Mayor Lowrance Stated that we are getting our Trial balances together so that we can get Michael Steiniger to approve them, so that we can get them to Pam to move on with our Audit. We just got approved for the 0% loan for the two police Vehicles as well through the Finance Authority.

Item #4 on the Agenda :Discussion/Action Approval of the Minutes – Rescheduled Regular Trustee Meeting – February 21,2023

Trustee Hair Motioned to Approve Trustee Fraley Seconded the motion.

Discussion: Trustee Kearns Asked on Item #16 if the Credit card limit passed from \$5,000. To \$20,000.? No, it only went to \$10,000. **Roll Call:** All were in favor, the motion carried.

Item #5 on the Agenda: Discussion – Adopt Resolution 2023-11 Approving a Special Election to Allow Interlocal Transfers of Liquor License(s) into the Village of Capitan and Proclamation

The Chair recognizes Lincoln County Clerk Shannon Hemphill. Bobbi asked Mrs. Hemphill if the two dates that she gave her were July the 25th and August 8th to hold the election? Mrs. Hemphill stated yes that was correct and that their preference was August 8th.because of the timing of the Capitan school election. Their election is May 9th, but the votes for that don't open until June 13th, so if the election started on July 25th, we would be sending out ballots for the for the Federal qualifying electors starting on June 10th. So, they wouldn't have a chance to do any updates on anything prior to your ballots going out. So, you would have time conflict on that day, that is their biggest concern at this point They are also concerned about being able to reset the machines. There are 980 voters in Trustee Shearer suggested doing hand counts. Because this is a special election on both elections they are both mail ballots and Mrs. Hemphill was also worried about people getting the ballots mixed up and putting them in the wrong envelopes, thus disqualifying a lot of votes for both elections. This would hurt both elections and they are both important. Mr. Rhodes Suggested that Smokey's Market could advertise for both elections and how important that they both are. Stating that they could bring awareness to both topics and to both elections. Mr. Rhodes stated that they are on a really short time crunch in order to keep this liquor license. It is really imperative that they rush this election. Mrs. Hemphill also stated that they will have to have a special commission meeting to canvas the votes and she is trying to make sure that there is no conflict with the commissioners for them to do that. If we do it before August 8th. It will fall on their regular meeting.

Trustee Fraley made a motion to postpone this item until March 7, 2023 at 5:30 PM. Trustee Hair Seconded the motion.

Discussion: There was no discussion of this item.

Roll call: All were in favor, the motion carried.

Item #6 on the Agenda: Discussion – Discussion Action A Presentation by Karl Pennock – Accept Water Rate Study Report and Recommendations Subject to Rate Modifications

The Chair gave the floor to Karl Pennock for his presentation. Karl shared his rate study report. He has been working closely with the water dept and the Office to learn what the revenue, and capital improvement needs are, and their contributions to reserves also. He looked at the community growth and the medium household income in preparing these reports. He also took the suggestions that the Trustees made into account. There are just over 1405 residents in 2021 and he is also taking into account of structural need for the water system and sewer systems individually. Trying to see them support themselves. He is looking at repair cost for equipment and growth for employees. There is a lot of lines that need repairing and the sewer pond need to be updated. Karl was recommending rate option # 3 for regular increases. The sewer would be increased to 135% bring it up to %35.25 from \$15.00. Trustee Shearer was looking at not uncoupling the water and sewer. She would like to see them kept together. And having a more even across the board increase. Trustee Kearns wants to see a more of a community effort. In 1993 the village family rate for sewer was \$6.00 and the commercial rate was \$7.50. The next rate increase was 18 years later in 2011. Single Family went up to \$15.00 an increase of \$9.00 and commercial went up to \$17.00 an increase of \$9.50. and nothing else has happened has happened for the last 12 years for the sewer rates. It is Karl's job to show how these enterprise funds how they can operate independently. The Mayor asked if we do a \$10 on the water and

a \$2 on the sewer would you run that? Or if we raise the sewer to \$20 what would we need to raise the water too, to make us a whole entity? Karl asked to get that in writing so that he could bring this back to them.

Trustee Fraley made a motion to postpone this item until Tuesday, March 7, 2023. At 5:30 PM. Trustee Hair seconded the motion

Discussion: There was no discussion of this item.

Roll Call: All were in favor, the motion carried.

Item #7 Discussion/Action-Memorandum of Understanding (MOU) between the village of Capitan and the Southeastern New Mexico Economic Development District Council of Governments (COG)

Trustee Shearer explains that this is to pay the COG \$35,000. To be our fiscal agent to help us get Capital Outlay, because we don't have our audits done. Al explained that this particular Grant has 4% added to it to paid out of the Grant for them to help us qualify for the Colonies Grant. And if we don't get the Grant we do not have to pay them. Colonies is for the water infrastructure Improvements. The contract was not specific enough for the Trustees understanding and Kevin Kennedy was not there to explain it to them.

Trustee Fraley made a motion to postpone this item until the next regular Trustee meeting. Trustee Hair seconded the motion.

Discussion: There was no discussion of this item.

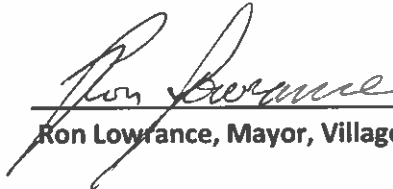
Roll Call: All were in Favor, the motion carried.

ADJOURNMENT:

Trustee Fraley made a motion to Adjourn. Trustee Hair seconded the motion.

Roll Call: All were in favor, the motion carried.

Mayor Lowrance adjourned the meeting at 8:05 PM.



Ron Lowrance, Mayor, Village of Capitan

Attest:



Al Cavazos, Village Clerk



Trustee Hair made a motion to approve this item. Trustee Fraley seconded this motion.

Discussion: There was no discussion of this item:

Roll Call: All were in favor, the motion carried.

Item #15 on the Agenda: Discussion/Action- Approve Resignation of Donna Weekley as Administrative Assistant to the Clerk.

Trustee Hair made a motion to approve this item. Trustee Fraley seconded this motion.

Discussion: There was no discussion on this item.

Roll Call: All were in favor, the motion carried.

Item #16 on the Agenda: Discussion/Action- Approve Increasing Credit Card Limit from \$5,000.00 to \$20,000.00.

Trustee Fraley made a motion to approve this item. Trustee Hair seconded the motion.

Discussion: Angela explained that when we are sending numerous people including PD to classes, having to pay for motels, food, doing orders for the office. We can hit our limit quickly. If the Card is declined, it can be rather embarrassing. The amount for any one transaction will never go over the \$5000.00 limit and we will still need to come before the board for approval. Trustee Hair suggested that we look into getting a P-Card. Our bank doesn't offer them at this time. Trustee Shearer would like the limit to be at 10,000.00.

Roll Call: All were in favor, the motion carried.

Item #17 on the Agenda: Discussion/Action-Approve Increase of Administrative Fees Charged to Greentree.

\$1.25 is what we are wanting to raise it to from .57. Because Greentree raised their rate to our customers. We collect the money, we pay the taxes, and then we send the net to Greentree. We aren't even sure if we should be paying the taxes, since we don't provide the service. Trustee Shearer believes that the admin fees were set in the JPA with Greentree back in 2018. Al looked at the JPA and couldn't find it anywhere. Greentree can raise the rates at anytime that they want without needing our approval.

Trustee Shearer made a motion to postpone this item until the March Meeting, so that we can get more information about this. Trustee Fraley seconded this motion.

Discussion: there was no further discussion of this item.

Roll Call: All were in favor, the motion passed.

Item #5 was changed with #18 on the Agenda: Smokey Bear Days 2024- Mary Lavin. Mary Lavin was not present.

Item #19 on the Agenda: Discussion/Action- Executive Session Pursuant to the Open meetings Act: Discussion of all Threatened and/or Pending Litigation, Section 10-15-1, Subparagraph (H)(7).

Any action taken as a result of the closed session will be brought back into the open session.

Trustee Hair made a motion to close the open session and go into closed session. Trustee Fraley seconded this motion.

Discussion: There was no discussion of this item.

Roll Call: All were in favor, the motion carried

Trustee Fraley made a motion to come out of closed session back into open session. Trustee Hair seconded this motion.

Discussion: Trustee Fraley Certified that all we discussed in closed session both on the Agenda Item #19 pursuant to Section 10-15-1 Subparagraph (H)(7) and nothing else.

Roll Call: All were in favor, the motion passed.

Trustee Hair made a motion to Adjourn the meeting. Trustee Fraley seconded the motion.

Roll Call: All were in favor, the motion carried.

Mayor Lowrance adjourned the meeting at 8:12 PM

Attest:

Al Cavazos

Ron Lowrance, Mayor, Village of Capitan