

Minutes
Regular Trustee Meeting
October 10, 2023

The Village of Capitan Board of Trustees met in public Hearing on Tuesday, October 10, 2023 at the Village Hall in Capitan, New Mexico at 6:00 PM.

Mayor Lowrance Called the meeting to order at 6:00 PM

Roll Call: Mayor Lowrance – Present, Trustee Shearer – Present, Trustee Kerns – Present, Trustee Fraley – Present, Trustee Hair – Present. Al Cavazos – Village Clerk, Angela Autrey – Deputy Clerk and LeAnne Brasher - Finance Officer were also present.

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

Trustee Fraley made a motion to approve the agenda. **Trustee Hair** seconded the motion.

Discussion: No discussion was made.

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

Item #2 Public Input.

Peggy Wilson – I can say that the cemetery clean up has 17 to 20 people coming on Saturday for our local cemetery. Yeay!

Item #3 Mayor and Trustee Comments:

Trustee Kerns – Mr. Mayor, I don't have anything at this time.

Trustee Shearer – I understand that the audits have been submitted and we are expecting the 2023 to be started by December 15th.

Deputy Autrey - We are waiting on the auditor.

Trustee Shearer – But is that the expectation? Kevin, were you are aware that Hebert Quintana passed away?

Public Audience – (All were sad to hear.)

Trustee Shearer – Yea.... So, are we working on capital outlay?

Kevin Kennedy – The LCS doesn't open up until October 18th. We've got the ICIP already submitted to LCS

Trustee Shearer – Okay, on October 18th. Are we applying with the governor's office for any capital outlay?

Kevin Kennedy – Not as of yet. I'm still in conference with Dora (COG) about that.

Trustee Shearer - Okay

Trustee Fraley - I have nothing at this time.

Trustee Hair - I have nothing at this time.

Item #4 on the Agenda: Discussion/Action – Approval of the Consent Agenda

A. Item #'s 13-16 Planning Board Application's

B. Items #'s 17-19 Lodgers Tax Fund Request's.

Trustee Shearer made a motion to remove item #16 off of the consent agenda and to approve the other consent agenda items. **Trustee Kerns** seconded the motion.

Discussion:

Mayor Lowrance – Number 6 is where we have the wrong numbers?

Trustee Shearer – No, wait its number 16.

Mayor Lowrance – Number 16? That's the one we've got the wrong number on it?

Trustee Shearer - We need to be pull that off the consent agenda?

Trustee Kerns – Which one is not included?

Mayor Lowrance - Number 16. The address says 224 and it's supposed to be 424.

Janiece Wall – No, 442.

Trustee Kerns – Number 16 is pulled off.

Mayor Lowrance – We can talk about that one later and pass this.

Roll Call: (This roll call was to remove #16 off of the Consent Agenda)

Trustee Shearer – Yes, Trustee Kerns – Yes, Trustee Fraley – Yes, Trustee Hair – Yes

Roll Call: (This roll call was to approve the consent agenda)

Trustee Shearer – Yes, Trustee Kerns – Yes, Trustee Fraley – Yes, Trustee Hair – Yes

**Item #5 on the Agenda: Discussion/Action – Approval of the Minutes – Regular Trustee Meeting
September 12, 2023.**

Trustee Kerns made a motion for approval of the minutes. **Trustee Hair** seconded the motion.

Discussion: No discussion was made

Roll Call: All in favor. Motion passed.

Item #6 on the Agenda: Discussion/Action – Approval of September 2023 Bills Paid.

Trustee Fraley made a motion to approve. **Trustee Hair** seconded the motion.

Discussion: No discussion of this item.

Roll Call: All in favor. Motion passed.

Item #7 on the Agenda: Discussion/Action – FY 23-24 August Monthly Budget Overview.

Trustee Kerns made the motion to approve. No second to the motion, motion died.

Discussion:

Trustee Shearer- I will wait until we get to number 8. I'm not sure what the action would be on the monthly budget overview.

Mayor Lowrance - We are supposed to have that as discussion only.

Trustee Kerns – I will make a motion to approve that.

Mayor Lowrance – We don't have to make a motion if it's just discussion.

Trustee Kerns – There is no action. That's a misprint.

Mayor Lowrance – Well, not really but.

Trustee Kerns - I have no comments.

Trustee Shearer - I do have comments with regards to the September monthly budget overview.

Deputy Clerk Autrey – is someone going to pass that or second it?

Mayor Lowrance - There was a motion but no second so we can let it die.

Deputy Clerk Autrey - Okay

Item #8 on the Agenda: Discussion/Action – FY 23-24 September Monthly Budget Overview.

Discussion:

Trustee Shearer – I came down to talk to LeAnne and Al today. I'm going to ask again, I told them I was going to bring this up tonight. I'm going to ask again to have a budget workshop. We looked at our 4th quarter, for last year, and then we look at our 1st quarter for this year, we need to make some adjustments. We had some things that are overbudget. Like the adjustments we are making are already over 100%, and are already on track to significantly exceed the budget. We have some revenue adjustments that we need to make also on the revenue side.

Mayor Lowrance – Does anyone want to look at your calendars and see when we can. Do you want this month or next month? We have Thanksgiving coming up and holidays.

Trustee Shearer – My goal is that we do it before the second quarter report, because the second quarter report at the end of the year is going to go to the Legislative Council Service and if we don't make these adjustments, it's going to look like we are significantly over budget.

Trustee Hair – Why could we not do a budget workshop before every council meeting?

Trustee Shearer – We could.

Trustee Hair – To me, we would come in prepared at the council meeting. In order to what steps are need to be taken. I think that carries more weight than trying to do it after the fact.

Trustee Shearer- So our next council meeting is the 14th of November.

Trustee Hair – I don't have a problem doing one but, I want to suggest is that we implement a workshop prior to every council meeting so that we can go over budgetary items at that particular time.

Trustee Shearer – That works for me. I'm happy to have one every month.

Trustee Hair – I think that should be a process that we should move into.

Mayor Lowrance – Okay, well do you want to have one...

Trustee Shearer – LeAnne is tied up right now. LGBMS has just implemented a...

Mayor Lowrance – God all mighty.

Trustee Shearer - I'm sorry.

Mayor Lowrance -No, you're right.

Trustee Shearer- I just don't think it's a good idea to push her to...

Mayor Lowrance – No, it's just they keep changing everything, every time we get with a routine.. They just throw kinks in the... Alright, go ahead.

Trustee Shearer – So, I don't want to put a lot of pressure on LeAnne. We talked about that today. She's having to learn this new system and get our quarterly reports submitted by October 31st.

Trustee Fraley – The next meeting is the 14th so, do you want to do like the Thursday before like the 9th, Wednesday the 8th?

Mayor Lowrance – For November? We can't do it on a Tuesday.

Finance Officer Brasher – Do you want to do November or December when the next quarter is due prior to that?

Trustee Shearer – I want us to adjust based on our first quarter.

Finance Officer Brasher - Okay

Trustee Shearer – I want us to look at our fourth quarter, which we know, it was higher than our budget. Significantly in a lot of areas. Now we have our first quarter. I think if we take those two, we can get very very accurate projections for the end of the year.

Finance Officer Brasher – So, in November?

Trustee Shearer – Yea. Then you can do the budget adjustment in November, and when you submit the quarterly report December 31st, everything should be....

Deputy Clerk Autrey – So, do you want Wednesday the 8th or Thursday the 9th, of November?

Trustee Fraley – I would prefer Thursday.

Trustee Shearer – Thursday is fine with me.

Trustee Hair – Thursday will work.

Trustee Kerns – What's the date?

Deputy Clerk Autrey – November 9th, at what time?

Trustee's Fraley and Shearer – At 6

Item #9 on the Agenda: Discussion/Action – Adopt Resolution 2023-32 Authorizing Budgetary Adjustments and Revisions.

Trustee Shearer made the motion to approve the 2023-32 Authorizing Budget adjustments. **Trustee Fraley** seconded the motion.

Discussion:

Trustee Shearer – The budget adjustments are for the general fund. We're not adding any revenue, taking it out of anywhere, we are just increasing the budget.

Finance Officer Brasher – Correct.

Trustee Shearer – Tell me what \$10,000 increase for professional services and \$15,000 increase contract other services. What are those?

Finance Officer Brasher – Basically there wasn't enough budgeted for the accountant that has been hired for helping with the audits. We have submitted as we are being requested. We are sending everything for 2021, 21/22, 22/23 all at the same time. So that they have all of the information, so that we can get them all done quicker. The other one is with the pay roll service that was not budgeted enough.

Trustee Shearer – How much is the payroll service?

Finance Officer Brasher – The payroll service is running about \$320 per pay period.

Trustee Shearer – And then we have a Tegrity?

Finance Officer Brasher – Tegrity is included.

Deputy Clerk Autrey – They are our IT.

Finance Officer Brasher – Yea, they are our IT people.

Trustee Shearer - And that's included in the one that we're increasing. Included in the professional services, in the \$10,000.

Finance Officer Brasher – Correct.

Trustee Shearer – Is the Tegrity and the payroll both coming out of the professional services?

Finance Officer Brasher - Yes.

Trustee Shearer – With the other line items. Fire protection, there is an offset, municipal street, there is an offset. I'm wondering if the council would be willing to look at the attorneys' fee line item that we have \$30,000 budgeted and we've only spent 3,800. If the council would be willing to reduce that by about \$10,000 so that we offset at least 10,000 of this increase.

Trustee Fraley – Is that the budget for this year? We've only got two months left.

Mayor Lowrance – Yes. We could do that at the budget meeting, right. On the 9th?

Trustee Shearer – We could do it in the same budget adjustment, right.

Finance Officer Brasher – I can, I'll just have to go into LGBMS and correct it, fix it.

Trustee Shearer – It would be part of the budget adjustment. Have you already done the budget adjustment for LGBMS?

Finance Officer Brasher – Yes. If you look at your sheet. This is what was put into LGBMS, this is their form that needs to be signed and sent in.

Trustee Shearer – Okay, is it possible to add that to it or is it something you will need to do later? I think that somehow, we used to have 8,500 budgeted for attorneys' fees and now we have 30,000 so I think we somehow over budgeted that. I think we could pull at least 10.

Finance Officer Brasher – I could do that, and I can redo this and have it submitted.

Trustee Hair – As long as the lawyer is comfortable with it. I don't mind to vote for today. I think that would be appropriate but I don't want to overtax what she already has to do. When this could be something delayed until we have the workshop.

Trustee Shearer – Yea, it could be delayed until the workshop. My goal here is that it doesn't look like so much that we are just adding \$30,000 to the budget with no revenue adjustment.

Trustee Hair - If that has been um.... I see your point in making sure that the revenue is offset, the adjustments that we are having to do.

Trustee Shearer – They don't actually.

Trustee Hair - Right, but it gets it closer and makes it look better than what it would. So, my question still is, LeAnne, looking logistically at your schedule, is it something you could work into it?

Finance Officer Brasher – If I come in on the weekend.

Trustee Shearer – We can do it in a workshop.

Finance Officer Brasher – That would be better.

Trustee Shearer – Okay, then I won't add it to the motion tonight but I would like us to consider offsetting that because we've got some pretty significant things that we need to.. with the police department... Oh that was a question I wanted to ask. Randy gets DWI Grant money for overtime?

Finance Officer Brasher – Yes.

Trustee Shearer – Where does that show up in revenue?

Finance Officer Brasher - That is going to show up under the reimbursements.

Trustee Shearer – In the police line item budget?

Finance Officer Brasher – Under the general because that is completely different from the LEPF and the recruitment retention. We haven't received anything yet.

Trustee Shearer – So, we have 15,000 budgeted in reimbursements and refunds?

Finance Officer Brasher – I believe it's more than that.

Deputy Clerk Autrey – Reimbursements and refunds, it says 15,000.

Trustee Shearer – I want to make sure we are getting that applied to the police overtime.

Finance Officer Brasher – When I do, do the payroll we do have a line in there specifically for DWI overtime. On the payroll itself.

Trustee Shearer – Okay, how do you ensure that it tracts with this line item?

Finance Officer Brasher – Randy turns in a sheet with the overtime hours with the DWI, he gives me a copy, and then eventually we receive a check for it.

Trustee Shearer – Okay. Thank you

Roll Call: Trustee Shearer – Yes, Trustee Kerns – Yes, Trustee Fraley – Yes, Trustee Hair - Yes

Item #10 on the Agenda: Discussion/Action – Adopt Resolution 2023-33 2021 First Quarter Financial Report Year Ending June 30, 2024.

Trustee Fraley made a motion to approve. **Trustee Hair** seconded the motion.

Discussion: There was no discussion on this item.

Roll Call: Trustee Shearer – Yes, Trustee Kerns – Yes, Trustee Fraley – Yes, Trustee Hair - Yes

Item #11 on the Agenda: Discussion/Action – Annika Beyer's Resignation.

Trustee Kerns made a motion for approval. **Trustee Shearer** seconded the motion.

Discussion:

Trustee Shearer – Angela, was your name on that because she had written it on the uh...

Deputy Clerk Autrey – Yea, She had wrote it to me.

Trustee Shearer – Okay, it kind of freaked me out. It looked like you had signed it.

Roll Call: Trustee Shearer – Yes, Trustee Kerns – Yes, Trustee Fraley – Yes, Trustee Hair - Yes

Item #12 on the Agenda: Discussion /Action – Sunny Bahkta's Resignation.

Trustee Hair made a motion to approve. **Trustee Fraley** seconded the motion.

Discussion:

Trustee Shearer – Do we have anyone left over there?

Deputy Clerk Autrey – We have Peggy working part time over there.

Trustee Shearer – That's mixing funds.

Deputy Clerk Autrey - We are taking it out of SP, because we need someone there.

Trustee Shearer – You're splitting it?

Finance Officer Brasher – Yea, we are having her do two separate time sheets. For when she's here and when she's there.

Deputy Clerk Autrey – We have it posted and we are trying to get someone hired. We do have applications but we haven't gotten anyone yet.

Trustee Shearer – Here it finally broke even.

Deputy Clerk Autrey – These were students that are so involved in school they couldn't keep it up. So, we really need someone there.

Roll Call: Trustee Shearer – Yes, Trustee Kerns – Yes, Trustee Fraley – Yes, Trustee Hair – Yes

Item #13 on the Consent Agenda: Discussion/Action: Approve Recommendation of Application for Mobile/Manufactured Home – 114 E Grandview, Subdivision, Lot 14. – Richard J. Pavis.

This item was approved on the Consent Agenda.

Item #14 on the Consent Agenda: Discussion/Action: Approve Recommendation of Application for New Construction at 203 Long Rd, Subdivision Hideaway Hills, Lot 16.- Daniel Ginithan.

This item was approved on the Consent Agenda.

Item #15 on the Consent Agenda: Discussion/Action: Approve Recommendation of Application for New Construction 26x40 Shop – 137 Spur Trail, C Hill Subdivision, Lot 1A – Ryan & Tonnia Long.

This item was approved on the Consent Agenda.

Item #16 Removed from the Consent Agenda: Discussion/Action: Approve Recommendation of Application for New Construction Commercial – 4 – 30x100 Storage Unit Buildings – 442 A W. Smokey Bear Blvd. – Gloria Ester Otero.

Trustee Kerns made a motion to change the address to read 442. **Trustee Fraley** seconded the motion.

Trustee Sharer made a motion to approve the application. **Trustee Hair** seconded the motion.

Mayor Lowrance- This item is 442 on the application and was labeled as 224. I need a motion to change the address.

Trustee Kerns - Are you saying the address is wrong?

Mayor Lowrance – Yea, it's labeled 224 and it needs to be 442. So, I need a motion to change the address.

Trustee Kerns - I'll make a motion for that. I make a motion to change the address.

Trustee Shearer – And approve.

Trustee Fraley – I'll second that.

Trustee Shearer – Did you want to change the address and approve it at the same time?

Roll Call: Trustee Shearer – Yes, Trustee Kerns – Yes, Trustee Fraley – Yes, Trustee Hair - Yes

Item #17 on the Consent Agenda: Discussion /Action Approval for Smokey Bear's Hometown Association request for funds in the amount of \$9,500 from the Lodger's Tax Fund for Radio and Print advertising for Smokey Bear Days 2024. – Shirley Pavlovic

This item was approved on the consent agenda.

Item #18 on the Consent Agenda: Discussion/Action Approval for Lincoln County Fair Association request for funds in the amount of \$6,000 from the Lodger's Tax Fund for 2023 Smokey Bear Stampede for advertisement, radio and posters. – Billy Bob Shafer

This item was approved on the consent agenda.

Item #19 on the Consent Agenda: Discussion/Action Approval for the Smokey Bear Museum & Gift Shop request for funds in the amount of \$1,900 from the Lodgers Tax Board for Advertising for the museum and gift shop.

This item was approved on the consent agenda.

Item #20 on the Agenda: Discussion/Action - Approval for the Village of Capitan request for funds in the amount of \$1,600 from the Lodgers Tax Board for Advertising for the 2023 4th of July Parade. – Angela Autrey

Trustee Shearer moved to rescind any prior approval, and approve the amount that is now requested so that the money can come back to the Lodgers Tax fund. Trustee Fraley seconded the motion.

Discussion:

Trustee Shearer – Was this already approved?

Deputy Clerk Autrey – The reason I am having this come before you all is because, The Lodgers Tax did approve it but we need to make an adjustment on it. Because they over paid us. We didn't use that much. We need to give them back \$413.07.

(Deputy Clerk Autrey addressing the Lodgers Tax board members in the audience) You all gave us 1,889.74 for the brochures and July 4th. \$1,600 for the parade. That came to 3,487.74. We only spent 3,068.67, so that was 413 that we didn't use. So, that needs to go back to the Lodgers Tax. I just wanted to make sure that was known and approved.

Roll Call: Trustee Shearer – Yes, Trustee Kerns – Yes, Trustee Fraley – Yes, Trustee Hair - Yes

Item #21 on the Agenda: Discussion/Action - Step Level Raises for the Water Department – Steve Osborn.

There was no motion on the table.

Discussion:

Steve Osborn – We put that out there as a carrot for everybody on step levels. For each the water system and the waste water system we've got four levels we can obtain to. I kind of based that spread sheet on, what I figured to be a fair and equitable, for each level.

Trustee Shearer – I don't know if I have that spread sheet. Does anybody else have that?

Steve Osborn - Did we not send that, Angela?

Deputy Clerk Autrey – I thought it did.

Trustee Shearer – I'm sorry, I have all four of those documents and I'm having trouble telling which one is which.

Steve Osborn – So, I have that spread out based on each level. The higher level is the 3 and 4. They get extremely difficult so I put more weight on those. It kind of structures where we are at, what I consider, is starting wages on that and then plus, when we get to each one of those levels is what I believe is a fair increment. The planning is to be, is to have the council on board come up with new numbers or come up with whatever it needs to be. But we have it set where we would like to see them go to as an incentive to keep getting their levels. For example, Justin got his 5 months ago?

Justin Uller – Six months ago now.

Steve Osborn – He did take his level 2 test. So, he passed both the 1 and the 2 levels, and because the budget and the time it was we hadn't put in for a raise. I talked to them for years, do this, do this and we'll give you that, and we didn't do anything for them. So, that's why I'm bringing this here now. I feel like if I had this in place first, and there was something I could have done differently, in order to make sure that when somebody passed a level, they got that. So, I'm trying to do that now. Can we do this? Can we make it retroactive? For Justin, on his, it's been almost 6 months.

Trustee Hair - If you had to go in, not that we want to okay I want to make that perfectly clear, but what would be the chances of locating an individual within the state, how much difficulty on a scale of 1-5, with 1 being, oh it's so easy, not a problem, to 5 being...

Steve Osborn – I can't answer that. I can tell you that it takes a long time to train. For example, Justin came in with 6 or 7 years of plumbing experience, and it's not exactly the same thing that we do but, he was highly skilled coming into the job and still basically at entry level pay. So, it takes a long time, even with Justin being here as long as he has, to explain the water/waste water end of things even coming from coming from a very similar field.

Trustee Hair - So strategically what we would say, it's always better to award even if it goes against the budget constraints because you keep that individual that is a known entity rather than bring a stranger in who not only has to accustom their selves to how Capitan does business, but now we are going in and securing the services that is being provided to the community. Correct?

Steve Osborn – Right. And you have all of the State mandates in order for the job. It's not the 1's and 2's is not near as difficult as the 3's and 4's but, there is a lot to it. A lot of jobs are entry level, and I can pick McDonald's, you go in and, in a month, or two and make \$15 an hour and it doesn't take much training. This takes a lot, a lot of training.

Trustee Hair - Right and certainly getting a bad hamburger is a lot different than having a main line (inaudible & laughing) Yes, you can still have a blow up from McDonalds however, I'm going to make the bad joke, this is the process that we want to use because we have had somebody who's been loyal. Who needs to be rewarded. As long as they take the intuitive, whether we have budget constraints, not when find the money.

Steve Osborn – The whole point is, getting it in either ordinance, resolution, agreement with the council, however we need to. So that whether I'm here or Justin or who ever is here, they are taken care of. It is important to have those rolls.

Trustee Shearer – Steve, we have 50,000 in salaries in sewer that we haven't touched yet.

Steve Osborn – Right.

Trustee Shearer – Should we move that over to water? Because it looks to me like we either need to be taking some salary out of that for one of your guys, or move that over to water. I think if we do that then it would balance.

Steve Osborn – There's the money there, however if that money was put in there, it's not necessarily going to be a full-time sewer person. They are still going to be doing water. If you want to approve it to take some of the funds out of there, that's fine.

Trustee Shearer – I think that, that 50,000 means that you're not over budget. When we look at the water, it looks like it's over budget but if we add the 50,000 then I think you've got the leeway and I think the rate increase is covering the expenses. I'd like to look at that at our workshop and I'd like to crunch the numbers and tell us what it needs to be and let us see if we can adjust the budget.

Steve Osborn – I think we can move money around at this point. I think it's there but I think it's a matter of approving this first and then making the adjustment necessary.

Trustee Hair – Included in that workshop should be... Are you actively looking for another intern?

Steve Osborn – I have interns. Honestly, we weren't, with the budget and everything, we weren't given a pay increase for our regular employee's. So, I kind of have a hard time going out to hire more people when we didn't take care of our existing. That doesn't make sense to me. We had at least a 6% cost of living increase which, personally I think that's a lie, I think it was much higher. They call it 6% and we didn't even get that, so why should we hire more people if we can't take care of our existing ones.

Trustee Hair – That's a valid point, you don't want to burn out your people either. That's why I think we need the budget workshop. If it's agreed, we need to look at preserving what we have for our staff and looking for decreasing, not their work load but, the burden. Because, when something comes up and we have catastrophe with a road, that has to be addressed immediately. That's a safety concern that we all need to be aware of and address. You can't just go out and hire somebody like you do at McDonald's this has to be somebody who gets the job done.

Trustee Fraley – So, if we approve this tonight, is this what we are approving? This rate scale or are we just allocating money set aside. What's the goal?

Steve Osborn – The scale is the attempt, basically that's all the numbers on the left part of the steps. Everything to the right shows inside the wage. So, that is the scale. Like I said, my goal is to have it set up for when the staff works for how ever period of time, 1 year, 5 years.

Trustee Fraley – Is this the right way to do that now or should we put it in the budget workshop and see what we can allocate and do it that way.

Trustee Hair – That was my suggestion.

Trustee Shearer – Yea, I think we need to see what it does to the water budget. See where we can move money around. Again, I still think we have capital in the water budget, that we've got in operating. That we could move out of operating as a capital expense.

Steve Osborn – Really, it amounts to Justin is the only one who has changed to about \$1.50.

Trustee Kerns – Steve, do you have a number, if you were to retro active Justin's... Do you have a number?

Steve Osborn – No. I don't.

Trustee Kerns – I think they might want that number for the budget workshop.

Trustee Hair – This is an excellent starting point. I think that it's something that, I apologize, I don't know enough about the road and what their training and certification process should be.

Johnathan Lamay – We don't really have a certification process or anything like that. It's safety classes and stuff like that is what we have. So, it's years of service basically is what ours is.

Trustee Hair – What your scale is. Okay, I think that is something to be looked at. Something comparable for other departments as well. I think it's an excellent idea. Thank you for bringing that to our attention.

Village Clerk Al Cavazos – Mayor may I interject something?

Mayor Lowrance – Yes

Village Clerk Al Cavazos – I'm glad you brought that up, Trustee Hair. When we initially started this thing, and he's taking the incentive here. The process that we put into effect, as far as personnel is concerned, is to make a determination on the progress all the employees are making. So, department heads have to give an assessment periodically here for people who are working for them in their specific departments. Steve has taken the initiative here and he's putting together a good little program. We are trying to also, initiate the same program in the police department. We will be working with the different departments on how it is that we can incentivize these individuals who is going to put forth the effort to make this Village better. That way we can get off the people coming in and clocking in and clocking out every day. All they are doing is just getting a paycheck. If we give them an incentive and actually make the effort and get out and get the training to advance in any department. I think that it makes them better employees and I think the benefit is going to be to the Village. So, were putting that together as you are looking at these budgets, the workshops, keep in mind that we are going to be also making presentations to the governing board here on why we feel like, that you might make considerations for all the departments. It is a very good position you are taking here, Trustee Hair in that, we will justify these things and putting these things together. What that's going to do is give you people, who is going to actually want to be here. I just wanted to interject that. I'm glad you brought that up because we are working on that.

Trustee Hair – You can call it different things, if you don't have a certification process. I'm sorry Chief Spear that I didn't address that question to you as well as the certifications and if there was a pay increase for that. I know that the State does quite a few reimbursements based upon the training that your officers receive. I wasn't sure about the road crew. You can call it a promotion ladder. This is what you have to do as an incentive program to go increase somebody, not just years in service but we also need to see you take more leadership roles do professional development, those types of things, all of those are going to contribute to our community, and that service will be appreciated.

Trustee Fraley – So do we need to motion to postpone this until the budget meeting?

Mayor Lowrance – We haven't even got a motion to approve so we can wait till the budget workshop.

Trustee Shearer – Yea, I'd like to do it at the budget workshop, but I'm fully on board with it. I think we need the step raises.

Trustee Kerns – Either we need to table this or how would we handle that.

Mayor Lowrance – We just went into discussion. I just asked Steve his say so. We haven't made a motion to approve or anything.

Trustee Kerns – Okay so, how do we keep going?

Mayor Lowrance – We just go to the next one. There is no motion on the table.

Item #22 on the Agenda: Discussion/Action – Price Adjustment for Water and Sewer tap fees \$4,500 water, \$3,500 sewer – Steve Osborn

There was no motion on the table.

Discussion:

Mayor Lowrance – Let's do discussion on this one too Steve. How much money are we loosing on our taps?

Steve Osborn – It's more so on the labor. I'll give a little back ground on where I came from. In the 90's I moved here from Colorado. I had check on building's and houses a couple of small towns. Water taps at

that time were \$10,000 in the 90's, and like 5,000 for sewer. I come to work here in 96 I was floored on how inexpensive they were especially where I came from.

Trustee Shearer - How much were they when you started?

Steve Osborn – I looked at mine. I put mine in for 500 in 1996.

Trustee Shearer – Okay

Steve Osborn – What I'd rather focus on that I've been looking at here lately is, we are providing service by upkeeping the water lines and taking care of those for everybody in town. And it's the people that have water taps now that are paying that. The other way of regaining that revenue is when somebody that does hook on, if they have a vacant lot and they don't use it for 20 or 30 years. That tap fee will have paid back some of those fees. I look at it as a two-fold thing. If we have vacant lot's that are not being used. The next one down is if we have a Lot assessment. You can look at one or both or neither, but my point is, the water customers and sewer customers are paying for the system, the upkeep, and the maintenance of it. The private land owners that don't have either water or sewer, reap the benefits of that when they tie on. I think if they are paying a little bit higher tap fee, more so than the cost, that helps recoup some of that. Or like the next one, a monthly fee, or something to that affect. That helps recoup some the cost. With the water customers and the sewer customers we are paying salary and we are paying everything that keeps everything going from now on and the vacant land has nothing to do with that. Yet, they reap the benefit when they do tie on. That's my philosophy on it.

Trustee Kerns – We have 25' lots there still. With 10' set backs we've made it almost worthless. Would you charge that person?

Steve Osborn – That's why I was bringing it up with the council, I was promoting an idea.

Trustee Kerns – A 50' lot is.... I'm not sure I understand exactly the reaping the benefits of improvements over the years.

Steve Osborn – If we have water leaks, we are out there fixing it. Our regular customers, that's where our rates come from, is to support all of our activities. So, we have to set our rates to pay for keeping the water system operational. Our water base customers are paying that fee and the vacant land owners are not. I'm just trying to equalize some things.

Trustee Kerns – We just got through founding out that we couldn't require anybody who is living in the Village to hook on, if they had property here.

Trustee Shearer - I'm wondering if it has the same legal problem.

Trustee Kerns – Do you see that it kind of parallel's there?

Steve Osborn – There maybe. We need to check on it. I worked for another system. They called it a Fire Protection Fee. They had a fee to their system. Was it legal? I don't know.

Trustee Shearer – Was it a municipality? Or a sanitation district. I'm looking at the municipal statutes, I'm not sure if it would be allowed for a municipality.

Steve Osborn – That would be for the \$10 a monthly fee. There again, to me it seems like a service they are getting the benefit from. That's why I was saying, the water tap fee on a normal tap, we are probably around the \$1,250-\$1,300. We had a tap that took us 4 days to find the water line. The cost of a backhoe was \$650 an hour. Add that up. The sewer lines, we have one over here that is 20' deep, 15' wide from foundation to foundation to the building. How are you going to even get down to it? You are going to have to excavate down with retaining wall and all that stuff. Some of these areas can be \$15,000-\$20,000 on one little section. Most of them we can probably do in a day or two, \$1,200-\$1,500 worth of pipe. Some of it is going to be exorbitant, the prices.

Trustee Shearer – What if somebody says, “You are charging me \$10 a month. I have this vacant lot. Okay, I want a water tap.” But now we’ve got to run a quarter mile water line to get to that lot. Do you see an unintended consequence where all the sudden people go, “Well, if I’m going to be charged every month anyway.”

Steve Osborn – There is only so much we can do for our crew members but, in the Village limit there’s only a couple more roads that don’t have water lines on them. They are in the Mt. Capitan area. There are two roads on them. On those particular two roads, there are like 80 lots, some are the smaller lots.

Trustee Kerns – Where are they Steve? The reason it matters is because some...

Steve Osborn – Rock Ridge and one between the Trinity Church.

Trustee Kerns – Rock Ridge and Promise Lane.

Steve Osborn – There’s two roads over there that are half mile to a mile long. There’s not a house on it. One House crosses between them. So, we’ve got those two roads. There are also 60-80 lots.

Trustee Shearer – So if someone on the end said they wanted water tap, we’d have to run an entire water line.

Steve Osborn – Originally, I thought, our ordinance shows that they are to pay their own extension. Those are the only two roads that I know of that don’t have service.

Public Audience – I come from El Paso, and basically you were charged by the length of your property frontage. In a case like that, if you had to go all the way to the end, they pay for just their frontage. But when somebody else hooked up, it would pay for the length of their frontage.

Trustee Shearer – That’s, I think, our policy now.

Steve Osborn – We take the number of lots and divide the total cost.

Public, Francis Traylor – Steve, am I understanding it right. In the subdivision if you have two dry lots, you are proposing we pay \$10 a lot?

Steve Osborn – Right, and here is the catch, is somebody can put a meter in and not hook up to a service, then they are still not paying a monthly fee. You’ll have to include that into the scope.

Public, Francis Traylor – But what am I paying the \$10 for?

Steve Osborn – There again, I think there is benefit of having the lot and when you are ready to tie into water, like I said, we maintain water system all these years and either having a higher tap fee or having a monthly fee seems to be a way to help get everybody paying.

Trustee Fraley – I think a tap fee makes since.

Trustee Kerns – We are talking about a couple different things at once. We probably should have stayed with one at a time. If we go back to #21 you are suggesting increasing the water tap fee to \$4,500. Currently it’s \$1,200, is that correct?

Steve Osborn – \$1,250

Trustee Kerns – Gee wiz, that’s like a 3 ½ time increase. The current sewer tap is how much?

Steve Osborn – I believe \$1,000.

Trustee Kerns – A \$1,000. So again we are 3 ½ times as much.

Public Audience – Stuff has gone up 3 ½ times too.

Trustee Shearer – But once they do that then they are a customer.

Public Audience – I can see where he is coming from. You are talking about expensive materials and labor.

Trustee Shearer – If we charge somebody the \$10 sewer fee and then they want that tap for that line that’s buried 20’ deep, then we’ve gotta....

Steve Osborn – We've got that no matter. We've got hard spots. Most of the sewer in town is not that bad but from here down, it can be tricky. Then you have buildings and foundations that you've got to deal with so.

Trustee Fraley – How would you enforce the payment of that monthly fee?

Trustee Shearer – I'm not sure you could.

Trustee Fraley – I think hooking up with a fee is doable. I think increasing the tap fees. But trying to do a monthly payment, I just don't know. If they don't pay it, you can't just shut the water off.

Steve Osborn – That's why I put both. It's more for the lawyer to sort out than me. I think there is need. Sewer tap, water tap, some kind of increase.

Trustee Shearer – You say there's need, is it in your budget that you feel like this is running short or is it just that you feel like these projects are taking a lot of time?

Steve Osborn – Yes, I think our budget is running short. That's why I've been working on the step raises. We haven't been able to give Justin an increase, we didn't pay.....

Trustee Shearer – But we have that \$50,000 in sewer that we should be using.

Steve Osborn – It's there but, we are very tight and constrained on our budget. For example, the \$10 fee, we are looking at the 40-year, feasibility study there was 1,559 billable lots in town. We have 865 taps now. Basically 700 lots at \$10 a month is say, \$4,000. Some of those lots, it's not going to work out. There're lots that are ¼ acre lots verses an acre lot, there are some logistics in there that will have to be figured out. It's a principle to think about and to consider and we can go from there.

Trustee Shearer – A lot of people would probably come in and consolidate their lots.

Attorney Zach Cook – It could get tricky with the municipal code gives only certain amount of malice to the municipalities that aren't home ruled. I'll have to go and look. There is some specific authority we have to charge people for services that they are not receiving. I doubt it's there, but I'll look.

Public, Brian Cleckler - So the \$3,500 and the \$4,500, where did you come up with those numbers? I'm looking at say, you have a real estate agent now, that is selling a lot. And they say, "On a vacant lot in the Village of Capitan, it will cost you say \$3,000 and you will get sewer and water hooked up right now." Then if they buy the lot, and everybody votes on it and all the sudden we say \$7,000. Is there some paperwork to back it up? Trust me, I know how expensive everything is now.

Steve Osborn – I'm just basing it on what our tap fee is now. Most of the time, if we even break even, we are right on the 1,000 to \$1,200 cost. I did a quote with just the parts and no labor was \$680-\$700. That's not counting the backhoe, labor, any of that kind of stuff. So, that's where it came from. The other part of it was, was putting in a fee on top of what the actual quote of what cost is now. Plus, we would have to do it for a few years down the road and not be doing this every year. In a year or two we can add another 1,000 and it will get us about five or so years.

Mayor Lowrance – What does Alto charge for a meter set? Last time I heard I think it's like 4,800. Ruidoso went up to 6,500.

Trustee Shearer – What does Carrizozo charge?

Steve Osborn – I didn't go around checking on those. I just looked online at Mancos Colorado, because that's where I came from, and it's 6,400.

Item #23 on the Agenda: Discussion/Action – System Maintenance Fee for vacant lots Water Department\$10/month – Steve Osborn

Discussion:

This item was discussed along with Item #22.

Item #24 on the Agenda: Discussion/ Action – Adopt Resolution 2023-29 for the LGRF Administered by the NMDOT for Time Extension – Kevin Kennedy

Trustee Shearer motioned to approve the resolution 2023-29 for the time extension. Trustee Kerns seconded the motion.

Discussion:

Public Allison Provine – What is LGRF?

Fire Chief Kevin Kennedy - Local Government Road Fund. It's a grant we had for Anna Drive and Northview. It is reverting at the end of December. We want to take the \$43,000 from there and move it over to the Mt. Terrace job. We do this every year. We move money back and forth. That's all we are wanting to do. DOT have a set procedure. They want to see the extension letter first, then the next resolution will be the movement of the actual job and movement of the money to another project.

Roll Call: Trustee Shearer – Yes, Trustee Kerns – Yes, Trustee Fraley – Yes, Trustee Hair - Yes

Item #25 on the Agenda: Discussion/Action – Adopt Resolution 2023-30 for the LGRF Administered by the NMDOT for Change in Location – Kevin Kennedy

Trustee Kerns motioned to approve the Resolution. Trustee Shearer seconded the motion.

Discussion: There was no discussion on this item.

Roll Call: Trustee Shearer – Yes, Trustee Kerns – Yes, Trustee Fraley – Yes, Trustee Hair - Yes

Item #26 on the Agenda: Discussion/Action – Adopt Resolution 2023-31 for the Tiger Drive Project with NMDOT – Keven Kennedy.

Trustee Shearer motioned to approve the Resolution 2023-31. Trustee Hair seconded the motion.

Discussion: There was no discussion on this item.

Roll Call: Trustee Shearer – Yes, Trustee Kerns – Yes, Trustee Fraley – Yes, Trustee Hair - Yes

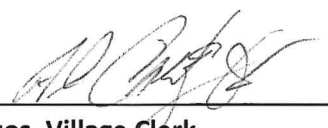
Adjournment:

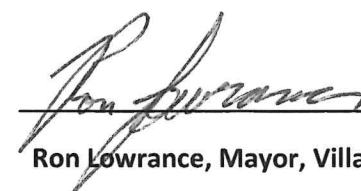
Trustee Fraley made a motion to adjourn. Trustee Hair seconded the motion.

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

Meeting adjourned at 6:55 PM.

Attest:


Al Cavazos, Village Clerk


Ron Lowrance, Mayor, Village of Capitan