

**Minutes
Rescheduled Regular Meeting
April 18, 2022**

The Village of Capitan Board of Trustees met in a Rescheduled Regular Meeting on Monday April 18th, 2022 at the Village Hall in Capitan, New Mexico at 6:00 PM

Mayor Lowrance called the meeting to order at 6:01 PM.

Roll Call: Mayor Lowrance – present, Trustee Kearns – present, Trustee Shearer – present, Trustee Fraley – present, Trustee Hair – present. Al Cavazos – Village Clerk, LeAnne Brasher – Finance Officer, J. Leinneweber – Administrative Assistant, Donna Weekley – Administrative Assistant, Angela Autrey – Court Clerk/Human Resources Clerk, Steve Osborn – Water Utilities Supervisor, Johnathan LaMay – Street Department Supervisor (arrived at 6:41), Randy Spear – Police Chief, Kevin Kennedy – Fire Chief/Projects Administrator and Nateal Sammy – Smokey Bear Museum & Gift Shop were also present. A list of others in attendance is attached.

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

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

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

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

No comments

Item #3 on the Agenda: Mayor and Trustee Comments.

Trustee Kearns wanted to find out more about the COVID funds (State and Local Fiscal Recovery Fund-SLFRF). The Mayor explained that would be covered in Item #19. Trustee Kearns asked about his notes from last time which listed \$206,000. The Mayor said that was Small Cities Assistance and is actually \$283,000. Trustee Shearer explained that the Small Cities Assistance was put in place to replace the funds lost from gross receipts tax on food and is the Hold Harmless Fund. She then asked if it that was going to be allocated for a road project on this agenda. The Mayor said there was a BAR Adjustment. Trustee Kearns asked about the \$175,000. The Mayor explained that was federal funding for when the Village was shut down during COVID. Trustee Kearns clarified that SLFRF is Federal and Small Cities Assistance is from the State. He also asked if there were guidelines on how the money was supposed to be spent. Kevin Kennedy explained he was giving a presentation on how the money can be spent and how the money cannot be spent. Trustee Kearns complimented Kevin Kennedy on doing an excellent job presenting the need for training in the fire department in a previous meeting but wanted to spread out and look at other options. The Mayor said he would be on the agenda to talk about that at a later meeting. Trustee Kearns expressed concern about using Capitan's allotted money for the whole county. He wants time to talk to the people and see how they want to spend the money. He listed renovating the old fire building for office space, a skate board park, or renovating the train depot as ideas. He feels it would be a disservice to the people of the Village if they don't look into more options. Trustee Shearer

Item #3 on the Agenda: Mayor and Trustee Comments. (continued)

stated that Small Cities Assistance is included in the budget. It is not separate Capital Money and is typically allocated to street projects. She said she was enthused with the progress being made related to the finances and asked if they were about to get where the Council could see what the budget looks like. LeAnne said she is working on the 3rd quarter and there will be BAR Adjustments. She hopes to have it ready by the 25th of this month. Trustee Shearer said the only hope of having a decent audit is having those adjustments made. Al shared the auditor is coming the first week of May to finish last year's audit and this year's audit should finish in July. Trustee Fraley said it would be good to be able to allocate to projects soon, once they know what they have.

Trustee Fraley mentioned the School Board has asked for a combination School Board/City Council meeting this summer to talk about projects that might affect both sides. The Mayor agreed.

Trustee Hair asked if tax revenue from online sales was factored in to the budget. LeAnne said it was and Trustee Shearer said she thought the allocation was based on the zip code.

Trustee Hair shared an upcoming virtual Rural Summit training. It will be May 12th and 13th. She noted if there is a Collective Bargaining position that opens up, this training might help quite a bit.

The Mayor handed out the Marijuana Ordinance for the Council to review. He explained it has been sent to the Attorney General to review and on the 25th there is going to be a Public Hearing followed by a Special Meeting. He pointed out there were issues with water use and the Village is leaving it up to the State on that issue. He said changes can be made if the Attorney General recommends them. Trustee Kearns asked how it is being dealt with right now. The Mayor said they can get a business license for \$35 until the new ordinance takes effect. The Mayor said if anyone has something to add to call Randy. The Mayor shared that when people take items down to Green Tree to dump for "free", the Village is being charged. It is \$600+ for the dumpster haul off and \$6.95 a ton which comes out to about \$275 a month. Trustee Shearer is concerned if the Village cancels this service, trash will build up in the village.

Item #4 on the Agenda: Approval of the Minutes: Regular Meeting – March 8th, 2022

Trustee Shearer made a motion to approve the Minutes for Regular Meeting – March 8th, 2022. Trustee Fraley seconded the motion

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

Item #5 on the Agenda: Discussion – A Presentation by Capitan Therapy & Behavioral Health

Kim introduced herself as the owner of Capitan Therapy & Behavioral Health. She moved here about 5 years ago when they started their private practice. They are currently located in Ruidoso because there was not enough office space in Capitan. They employ six therapists. One of Kim's specialties is substance abuse and she has been receiving a lot of referrals from Probation. Recently, she received a contract from the County to start taking on DWI offenders. She noted the problems these people are dealing with are larger than outpatient therapy. She is asking for backing and insight on how to go about obtaining funding. She was informed the state was granted \$200 million from a lawsuit for the opioid crisis. Lincoln County is getting over \$2 million. The money can only be spent on opioid treatment. She is seeking funding for other things. She has talked with the college and they want to place their Substance Abuse Training students as interns with Capitan Therapy & Behavioral Health. She has met with Healing Hero's about sharing land at Ft. Stanton and renovating extra buildings there. She is also going to attend the County meeting seeking support. The Mayor said Kevin Kennedy and Zach

Item #5 on the Agenda: Discussion – A Presentation by Capitan Therapy & Behavioral Health (continued)

Cook could be good resources. Kevin Kennedy ask if they are a 501(c)3. Kim said Capitan Therapy & Behavioral Health is not but they have created a sister agency, Lotus, that is a 501(c)3. They currently have a waiting list for clients.

Item #6 on the Agenda: Discussion/Action – Approval of Bills Paid for March 2022.

Trustee Shearer made a motion to Approve the Bills paid for March 2022. Trustee Hair seconded the motion.

Discussion: There was no discussion of this Item.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair - yes

Item #7 on the Agenda: Discussion/Action – Discuss Reduction of Gross Receipts Tax by .125 percent effective July 2022

Discussion: Trustee Shearer asked if “we” were going to reduce our state receipts. Al Cavazos told her no it was just informational.

Item #8 Discussion/Action – Adopt Resolution 2022-05 Authorizing Budgetary Adjustments and Revisions

Trustee Shearer moved for discussion. Trustee Kearns seconded the motion.

Discussion: LeAnne explained this was the \$20,000 discussed in a previous meeting. The Mayor explained that Nateal comes in and asks for about \$5000 a month to restock. The stock dwindles down until she can reorder. The Mayor said they are trying to give her money up front so she can order a huge supply that will last 3 or 4 months. When she is half way through the supply, she can reorder without running out of stock. The Mayor said it should help get the shop into the black. Trustee Shearer said the shop would have to be in the red because there has not been enough stock. She also asked about a budget adjustment done in previous years that did not show up in the budget. There was a discussion about when that actually was done and the amount. LeAnne said she would check into that. Trustee Kearns asked about a previous discussion about a website. Nateal shared the store is critically low on merchandise on a regular basis. She said it is important to have the merchandise and souvenirs for people to come in and purchase. In reference to the website, they are in development and laying the foundation for the blog side and the informational side for the museum. Once they have the merchandise they can begin to sell online and broaden the audience. Nateal explained that t-shirt orders take 4 to 6 weeks. Other orders only take a few days. The books are printed on demand. Nateal said they are trying to find their niche and complement one another with the other venders in town. There is more merchandise they can carry once they have the money to pick up new lines. Nateal also described the program they are starting to use to track merchandise. The Mayor clarified this money will be added to the previously approved funds. Trustee Shearer moved for approval of the adjustment. Trustee Fraley seconded the motion.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair - yes

Item #9 Discussion/Action – Approve Application for Building Permit at 152 Mount Terrace – Matt Closs

Trustee Hair made a motion to Approve the Building Permit at 152 Mount Terrace. Trustee Shearer seconded the motion.

Item #9 Discussion/Action – Approve Application for Building Permit at 152 Mount Terrace – Matt Closs (continued)

Discussion: Trustee Kearns asked about the Planning Committee signing the application. Trustee Shearer pointed out the signatures.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair - yes

Item #10 Discussion/Action – Approve New Water Leak Adjustment Form

Trustee Shearer made a motion to move for Approval. Trustee Fraley seconded the motion.

Discussion: Steve Osborn explained if someone has a leak the rate stays the same instead of compounding. The Council has to approve the adjustments case by case.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair - yes

Item #11 Discussion/Action – Approve Renewal of Contract with Melbee Designs

Trustee Shearer made a motion to Approve the Contract. Trustee Fraley seconded the motion.

Discussion: Melissa introduced herself and explained she grew up here. The Mayor, referencing a previous meeting, asked if she understood why the Council had concerns starting the “Smokey Bear deal” with her. Melissa said she was fine and it sounded like there had to be steps in place first.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair - yes

Item #12 Discussion/Action – Approve Appointment of Zach Cook as Village Attorney

Trustee Shearer made a motion to Approve the Appointment. Trustee Hair seconded the motion.

Discussion: The Mayor explained Zach Cook was going to be at the meeting but the fire changed things.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair - yes

Item #13 Discussion/Action – Approve Resignation of Phillip Wall as Patrolman for the Village of Capitan Police Department

Trustee Fraley made a motion to Approve the Resignation. Trustee Shearer seconded the motion.

Discussion: Trustee Kearns asked if the Chief was looking for somebody. The Mayor said it was put in the Albuquerque and El Paso paper.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair - yes

Item #14 Discussion/Action – Approve Resignation of Janice Leinneweber as Administrative Assistant to the Clerk

Trustee Fraley made a motion to Approve the Resignation. Trustee Shearer seconded the motion.

Discussion: The Mayor told Janice they would miss her deeply, especially him. He told her she has been an asset. Janice said she came to enjoy the job and would miss it along with the people.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair - yes

Item #15 Discussion/Action – Approve Donna Weekley as Administrative Assistant to the Clerk at an Hourly Rate of \$15.00 with an Increase to \$18.00 effective April 25

Trustee Shearer made a motion to Approve. Trustee Hair seconded the motion.

Discussion: The Mayor clarified Janice’s last day is April 21, 2022. He said Donna is going to be a good fit.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair - yes

Item #16 Discussion/Action – Approve Resignation of Dora Gutierrez as Custodian

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

Discussion: There was no discussion of this Item.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair - yes

Item #17 Discussion/Action – Approve the Hiring of Patricia Wall as Custodian

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

Discussion: The Mayor explained Mrs. Wall came in at the same price that Ms. Gutierrez was earning. Al Cavazos shared it is \$125 every two weeks.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair - yes

Item #18 Discussion/Action – Adopt Resolution 2022-06 Authorizing Transportation Project Fund

Trustee Shearer made a motion to Approve. Trustee Kearns seconded the motion.

Discussion: Trustee Shearer asked it this was for Tiger Drive. Kevin Kennedy explained it is \$60,000 for the planning and engineering of Tiger Drive.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair - yes

Item #19 Discussion/Action – A Presentation on Project Options 2022

Discussion: Kevin Kennedy said Small Cities Assistance is a budgetary item and can be spent anywhere they want. He added that the Village has received \$283,685 in Small Cities Assistance. The State and Local Fiscal Recovery Fund (SLFRF) is COVID relief sent by the Federal Government to the States. The State distributes the funds to the villages and counties. The Village got \$176,524 and will get another \$176,524 in July. The money was designed to help with issues related to COVID. The Village used \$6081 to help people pay their water bills once their application was approved by the State. The balance left is \$170,442. The last set of rules governing the spending of these funds came out in January and infrastructure and public safety were at the top of the list. He explained the SLFRF is a federal grant and the Village must provide a report showing how the money is spent. Trustee Kearns verified that Kevin was talking about SLFRF, not Small Cities Assistance and that Small Cities does not require the same reports.

Kevin Kennedy shared during the McBride fire, the critical infrastructure lost power and the only place that had power was a fire station due to their forethought in having a generator. A generator to run Village Hall, the Emergency Operations Center, would be \$134,237 and a generator to run the police department/fire department would be \$149,293. Kevin asked about using the buildings here if people are displaced by a fire but does not have any cots to use. Kevin would like to get an Emergency Preparedness line item.

Kevin Kennedy shared the option of combining funds to complete the water tank rehab but that can be covered in other ways. Another option for using the funds is extending the water line out Hwy 380. Trustee Shearer ask what purpose extending the line serves. Steve Osburn explained it would get the 2-inch line back into AWAA compliance. He also explained a 500-foot extension will open up 5 new properties to Village water. Steve said there are 22 customers on 2-inch line and if the lines extends 1000 feet, it would be down to 15 customers on 2-inch line. Adding another 1000 feet eliminates any problem on the 2-inch line. With that extension, 15 to 20 lots could potentially connect to the line and also have fire protection.

Item #19 Discussion/Action – A Presentation on Project Options 2022 (continued)

Kevin Kennedy stated the Water Dept. and Street Dept. could both use a backhoe which are \$165,000 apiece. Steve needs an additional \$60,000 to add to current funds to purchase a backhoe. The Mayor said he did not know the Street Department needed a backhoe. He thought they needed a road grader. Kevin explained a road grader would not be a qualified expense. Trustee Shearer pointed out if they bought the Water Dept. a backhoe, it would make their budget look solid. Then they would be more qualified for the tank rehab going forward and not be turned down for the loans. Kevin said \$25,000 was supposed to be allocated to the backhoe and ask if that was correct. Trustee Shearer said if they knew what the beginning cash balance in each fund was, they would know the answer to that question. She said she has been asking that for 2 years and pointed out that LeAnne was making progress. She also pointed out there is a problem with the Water Dept. solvency, that they are operating in the red or barely in the black some years.

The water hydrologist study was previously allocated \$15,000 and that is a qualified expense.

Trustee Hair asked what the communication model is and if that is a qualified expense. Kevin Kennedy said anything to do with communications is a qualified expense. The Village has radios that back onto a computer that are used for traffic control and communications between the departments. The Village has a repeater and some radios. Kevin said they need to be able to communicate with the County and on communication, the Village is good.

Kevin Kennedy moved on to Randy Spear expressing he needs a new dog truck. Kevin was the SLFRF can be used to by new police cars or a new fire truck. The Mayor said Randy has enough to buy a police car, he just doesn't have enough to get the dog truck. The dog truck cost \$57,175 which includes the vehicle and the slide in bed. The dog truck qualifies for SLFRF under public safety.

Kevin Kennedy mentioned another option is the solar array at the wetlands to save money on electric bills. Jim Miller can design the system. There are grants that can pay for the solar array too. Last month's bill was \$9000 and, in the summer, it ranges from \$18,000 to \$26,000. If the bill can be cut in half, help can be hired for the Water Dept. and the Street Dept. Solar panels can also be added to the wells. The panels would be used during the day and the grid would be utilized at night.

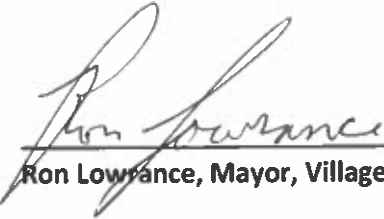
The Mayor said the funds could be divided between the Water Dept., the Street Dept., and the Police Dept. and the items could be ordered. Trustee Shearer wanted clarification on it being divided in thirds. The Mayor explained this division would allow the ordering of the backhoes and the dog truck. The dog truck would be paid off and in six months, the backhoes could be paid off. Trustee Kearns asked if there was a deadline for spending the money. Trustee Shearer said July 2026 and the Mayor pointed out that a report is due by the end of the month showing how the money is allocated. Trustee Kearns asked if there was still a desire for more space at Village Hall. The Mayor said the Water Dept. had moved and the back-storage room had been opened up so they have enough space.

ADJOURNMENT:

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

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

Mayor Lowrance Adjourned the meeting at 7:33 PM.



Ron Lowrance, Mayor, Village of Capitán

Attest:



Al Cavazos, Village Clerk