

**MINUTES OF THE COUNCIL OF THE TOWN OF SILVER CITY  
REGULAR COUNCIL MEETING  
Grant County Administration Center, 1400 Hwy. 180, Silver City, NM  
June 26, 2018, 6:00 p.m.**

**Present:**

Ken Ladner, Mayor  
Cynthia Ann Bettison, District 1  
Lynda D. Aiman-Smith, District 2  
Jose A. Ray, Jr., District 3  
Guadalupe E. Cano, District 4

**Also Present:**

James Marshall, Assistant Town Manager  
Yolanda C. Holguin, Acting Town Clerk  
Robert L. Scavron, Town Attorney  
Milo Lambert, Fire Chief

**1. CALL TO ORDER/PLEDGE OF ALLEGIANCE** – Mayor Ladner called the meeting to order at 6:00 p.m.

**2. CHANGES TO THE AGENDA** – None.

**3. CEREMONIES** – None.

**4. PROCLAMATIONS** – None.

**5. COUNCIL COMMENTS** – Councilor Aiman-Smith acknowledged all of the folks at Western New Mexico University's Cultural Affairs Office for putting on the Fiesta Latina event. She said it took a lot of work and volunteers from the community and it was a really marvelous experience. She also commented on the Town's Annual Drinking Water Report and that it indicated the Town's water was delicious and safe in all ways. She acknowledged all of the folks at the Town who worked so hard to keep the water safe and delivered to them most of the time. Councilor Bettison thanked everyone that was emailing her, and stated her responses would be delayed because she had broken fingers on both hands so it was very difficult for her to type.

**6. Approval of Minutes for the Regular Town Council Meeting held on June 12, 2018.** Councilor Aiman-Smith moved to approve the Minutes of the Regular Council Meeting of June 12, 2018. Councilor Bettison seconded. The Mayor asked if there was any discussion, and there was none. He asked those in favor to approve the minutes to say aye, and all four Councilors said aye. He asked if any were opposed to say nay, and there was no opposition. Motion carried.

**7. PUBLIC INPUT** – None.

**8. REPORTS -**

**A. Staff Reports.** Assistant Town Manager Marshall asked Fire Chief Lambert to provide an update on the current fire danger situation. Chief Lambert reported there was currently extreme drought on local fire conditions and they had instituted a ban on June 6 that was still in effect. He said it banned every legal banable firework that the Town could ban which was missile-type rockets, helicopters, aerial spinners, stick-type rockets, and ground audible devices. He said he contacted TNT, the only distributor of fireworks in the Silver City area, and their Vice President agreed not to send any of those items to the area, and upon further discussion she also agreed not to send any Roman candles in order to give more assistance. He listed many other restrictions that were in effect and the penalty. He said the Town would proceed with its display of fireworks in hopes that it would be enough for the public, and that it would be done professionally with additional safeguards that the public did not have at their disposal. He plead with the public not to purchase or use fireworks due to the current conditions.

Assistant Town Manager Marshall provided a budget update and stated the General Fund balance in the preliminary budget was estimated at \$700,000 and would currently end up at \$1,100,000. He said the main reason that the balance was higher was because of the additional construction that was going on around the community. He said the construction was for one-time projects so it was money they could not count on next year. He said the hold harmless

gross receipts tax deduction for this year was \$468,000 and next year the Town would lose \$580,000 so they could pray for construction. He said Manager Brown recommended they use some of the funds for the one-time projects like a one inch overlay on 32nd Street that would run from Silver Street to Ridgecrest, and then they would put the entire street in the chip seal project. He said it would be a huge benefit for 32nd Street that has heavy traffic. He said on the Lodgers Tax Fund the ending cash balance for the preliminary budget was estimated at zero and currently it would end at \$90,000. He said they would like to use some of that for the welcome signs and put the rest in the contingency for next year's lodgers tax changes and to satisfy some contractual obligations. There was further discussion.

Mr. Marshall also reported that the Town had been working with Bruce McKinney for about eight years on adjusting some boundaries on the trail on San Vicente and the trail coming off of Mountain View down into San Vicente. He said those documents had been filed and the Town actually owns the parts of land that the Town's trail is on and Mr. McKinney owns the parts that he should own. He said it was all done with boundary adjustments and that Mr. McKinney was very satisfied.

**9. PUBLIC HEARINGS** - None.

**10. UNFINISHED BUSINESS** – None.

**11. NEW BUSINESS** -

**A. Approval / Disapproval of a Public Celebration Permit Application and a waiver of NMSA 1978 Section 60-6B-10 for alcohol sales near a church for the Clay Festival "Juried Exhibition Reception" event at 214 W. Yankie St., Silver City, NM on July 19, 2018 with alcohol service from 5:00 p.m. to 8:30 p.m. Liquor License Holder: La Esperanza Vineyard, LLC, Liquor License #6148, 100 De La O, San Lorenzo, NM 88041.** Kelly Nicholas, Project Coordinator for the CLAY Festival, provided information about the event. Mayor Ladner asked for a motion. Councilor Ray moved to approve the Public Celebration Permit Application and a waiver of NMSA 1978 Section 60-6B-10 for alcohol sales near a church for the Clay Festival "Juried Exhibition Reception" event at 214 W. Yankie St., Silver City, NM on July 19, 2018 with alcohol service from 5:00 p.m. to 8:30 p.m. Liquor License Holder: La Esperanza Vineyard, LLC, Liquor License #6148, 100 De La O, San Lorenzo, NM 88041. Councilor Bettison seconded. There was no further discussion. Mayor Ladner asked all those in favor to say aye, and all four Councilors said aye. Motion carried.

**B. Approval / Disapproval of Notice of Intent to adopt Ordinance No. 1270: an ordinance adopting the establishment of the Agmechtronix, LLC manufacturing facility as an economic development project within and for the Town of Silver City pursuant to Section 5-10-2 B. NMSA 1978 (Local Economic Development Act) and Section 16-21(a) of the Municipal Code of the Town of Silver City, Grant County, New Mexico.** Assistant Town Manager Marshall said it was a similar ordinance that they had done before with the LEDA projects for the Silco Theater or for Little Toad Creek, and the Town would be the pass through fiscal agent. He said it worked out very well; that the State did an extensive and thorough job in the projects to make sure the Town's risk would not be too exposed. He asked the applicant and Christine Logan from the State to give a presentation to the Council on what the project is and what they were committing to. Applicant Ryan Herbon said he was the Chief Executive Officer of Agmechtronix and he gave the background of Agmechtronix as a one-stop shop for design, engineering and manufacturing with a primary focus on lettuce thinning machines. He said the company was established in 2012 and was based in Grant County. He said the machines were used on commercial acreage with the majority of their customers in Salinas, California or Yuma, Arizona, and that 99 percent of the lettuce they ate came from those two growing regions. He said the money coming in to Agmechtronix was coming from out of state, and they had machines deployed coast to coast. He said they also had a lot of international interest in the machines. He commented on their other products and research and development. He said the Local Economic Development Act (LEDA) funds would allow them to move into a new facility and they had a culture of safety in their company. He provided more information about the employees and benefits of the company, and that they were under a real estate contract to purchase the property at 2810 U.S. Highway 180 East and were scheduled to close on July 26, 2018. He said they were granted a Special Use Permit by the Town's Planning and Zoning Commission to do industrial work there and they were budgeting \$1,500,000 for the facility. He said they were working with LEDA and that Christine Logan from the New Mexico Economic Development Department would make her presentation. Ms. Logan said the company was

growing and LEDA was a tool that helped the State and local government to make that growth possible, and the State statute provided an exception to the State Constitution's anti-donation clause. She said if the Town had a local ordinance, and the Town of Silver City did, and it identified a specific project, then public assistance could be used to help the private business grow. She said Agmechtronix was qualified, and that they would be bringing in new money from out of state, and they were creating private-sector jobs. She said when they started the discussion Agmechtronix had seven employees, but the project would allow them to grow to 30 jobs and continue to grow the company. She discussed how they vetted the company and that she was very confident that it was a well run company with a really good business plan. She explained how they also looked at the public benefit. She said to do a LEDA it would be a four and a half year contract with a Project Participation Agreement, an Intergovernmental Agreement, and a Collateral Agreement. She provided the details of the Project Agreement, including the Town's responsibilities. Mr. Herbon concluded by stating they build technologically advanced farm equipment and needed to expand, and LEDA could help them with that expansion, and that Silver City was home and they wanted to stay here. He said the property would be a great fit for them to do that and there would be no negative impact on anybody. He answered questions from the Council, and there was further discussion. Councilor Aiman-Smith asked Mr. Marshall to confirm to the public that the agreement did not make the Town give the company any money that is Town money; that the Town would be a fiscal agent of State money. Mr. Marshall said she was correct. He stated the project had been vetted and the State did an extensive study on the viability of the company and the Town staff were very comfortable with it. He said the Notice of Intent Ordinance did not approve any of the agreements or the transfer of any funding at all; that it authorized the Town Manager to enter into agreements that support this company as an economic development project that is beneficial to the Town of Silver City. Mayor Ladner stated it looked like a win-win situation for a lot of groups: for the State of New Mexico, for the county, for the city by increasing gross receipts tax and possibly property tax, and especially to see the building be occupied since it had been an eye-sore for a long time. He asked Mr. Herbon what their plan was for the curb appeal of the property, and Mr. Herbon said they would give it curb appeal, clean it up and make it look nice again. Mayor Ladner thanked him for bringing professional level jobs to the community. Mayor Ladner asked for a motion. Councilor Ray described how he had known the family for many, many years, and how they were a good, hard-working, and dependable family, and he urged the Council to take that into consideration. Councilor Ray moved to approve the Notice of Intent to adopt Ordinance No. 1270: an ordinance adopting the establishment of the Agmechtronix, LLC manufacturing facility as an economic development project within and for the Town of Silver City pursuant to Section 5-10-2 B. NMSA 1978 (Local Economic Development Act) and Section 16-21(a) of the Municipal Code of the Town of Silver City, Grant County, New Mexico. Councilor Cano seconded. There was no further discussion. Mayor Ladner asked all those in favor to say aye, and all four Councilors said aye. Motion carried.

**C. Appointment to the Trails and Open Space Committee.** Mayor Ladner said the Town received one application from Alyssa Armstrong, and the Chair of the Committee, Michael Ferris, recommended her appointment. He said if there was no objection he would appoint her to the Trails and Open Space Committee. There was no objection.

**12. ADJOURNMENT** – Mayor Ladner concluded the meeting and asked for a motion. Councilor Ray thanked reporter Benjamin Fisher for a recent article in the *Silver City Daily Press* newspaper. He made a motion to adjourn at 6:38 p.m. Councilor Aiman-Smith seconded. He asked for a vote of all those in favor, and all four Councilors said aye. Motion carried.

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Ken Ladner, Mayor

Attest:

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Ann L. Mackie, Town Clerk