

**MINUTES OF THE COUNCIL OF THE TOWN OF SILVER CITY
REGULAR COUNCIL MEETING
REMOTE MEETING IN COMPLIANCE WITH THE NM OPEN MEETINGS ACT
June 23, 2020, 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:

Alex C. Brown, Town Manager
Robert L. Scavron, Town Attorney
Ann L. Mackie, Town Clerk
Freddie Portillo, Police Chief
Jeff Fell, Assistant Fire Chief & Emergency Manager
Robert Higgins, Information Technology Director

1. CALL TO ORDER / PLEDGE OF ALLEGIANCE – Mayor Ladner called the meeting to order at 6:00 p.m. He welcomed everybody that was attending the remote meeting and did a roll call of the Councilors and staff. He also announced that Joanie Griffin, Jessica Woods and Graham Taylor would participate in the meeting.

2. CHANGES TO AGENDA – None.

3. CEREMONIES – None.

4. PROCLAMATIONS – None.

5. COUNCIL COMMENTS – Councilor Bettison thanked everyone in town and all of the businesses and visitors that were in Grant County for everything they were doing to make sure the COVID-19 safe practices were being done. She also commented on the recent appointment of the New Mexico Municipal League’s (NMML) Executive Director, AJ Forte, and how she was confident in his ability to ensure the viability of the NMML and the municipalities. Councilor Ray thanked the U.S. Forest Service for giving local businesses some business as they work on the Tadpole Fire. He said he attended the rally for law enforcement to support their police officers, and said he was surprised at the mix of people that attended. He said they have to support law enforcement. He commended Terry Baca, a Forest Service employee, that kept a camp very clean and kept the campers informed about the local fires. He said the Forest Service was doing their job and that people should be sure to pack it in and pack it out. Councilor Aiman-Smith acknowledged the Interstate Stream Commission (ISC) for making the decision to no longer fund the project halting the Gila River diversion, and she thanked the members of the ISC for working towards the good of the community. She congratulated the Silver City MainStreet Program for receiving their 2020 National MainStreet accreditation. She encouraged folks to respond to the 2020 Census and how it meant a lot to the future of their area in terms of how they were counted and how they were funded. She encouraged people to read a recent Daily Press editorial about the importance of the Census. Councilor Cano said she attended the Black Lives Matter protest and the law enforcement rally. She thanked Chief Portillo and the Silver City Police Department for making sure both gatherings were peaceful, and that everybody seemed to get along. She thanked Chief Portillo for his timely report in the newspaper and for clarifying things.

6. APPROVAL OF MINUTES - Regular Meeting on May 26, 2020 - Councilor Aiman-Smith moved to approve the Minutes of the Regular Town Council Meeting of the Town of Silver City of May 26, 2020. Councilor Bettison seconded. The Mayor asked if there was any discussion, and there was none. He asked for a roll call vote. Councilor Bettison voted aye; Councilor Aiman-Smith voted aye; Councilor Ray voted aye; and Councilor Cano voted aye. Motion carried. Note: The Regular Council Meeting scheduled for June 9, 2020 was canceled.

7. PUBLIC INPUT – Clerk Mackie stated no public input was received by email.

8. REPORTS –

A. Sunny 505 report from Joanie Griffin, Chief Executive Officer of Sunny 505. Ms. Griffin reported on the impact that the COVID-19 pandemic had on the tourism market and stated they were working closely with the New Mexico Tourism Department and the Governor's Office. She said they were promoting Silver City through their media outreach, social media, etc. She said for the Fiscal Year 2021 tourism marketing their advertising would focus on what people could do when it was safe to travel, and the images would feature wide open spaces and individuals rather than crowds. She said they were awarded a \$40,000 grant and the Governor would allow them to roll that funding into Fiscal Year 2021, and the advertising would start in August or September. She discussed cooperative advertising and how they had applied for a grant. She said for Fiscal Year 2020 they trimmed their budget by 25 percent with a total budget of \$149,077. She discussed the plans for Fiscal Year 2021 and how they would work with Grant County and the New Mexico Tourism Department, and talked about their plans for advertising, etc. She said she believed Silver City stood to thrive and discussed how people would travel by car and not by air. She said Silver City was a car destination. She said people wanted to be in places where there were wide open spaces and no crowds. She said the advertising would include COVID-19 safe practices. There was further discussion.

B. Staff Reports - Manager Brown stated he would like to report on the police state first. He said he had received several inquiries about the use of force policy and questions about the operations of the Police Department. He said the comments and questions were not of a negative nature but were just inquiries. He said he had talked with the Mayor about the inquiries and the Mayor said they should get in front of it and get as much correct information out to the public as possible. He discussed how they could work with a group of interested people to inform them, etc. Chief Portillo discussed how a citizen named Andy Payne asked for the police policy manual and wanted to put together a citizens' advisory committee and get ideas from the public. He said the committee would work with staff, and the officers with boots on the ground would be part of it, to help educate the committee and to get the information out there and be more transparent. He said the goal was to have more public relations, to build a bridge to start communications, and to get as many officers and staff involved, especially the younger officers to help develop them. He said it was in the beginning stages. Manager Brown asked the Mayor and Councilors for suggestions. There was further discussion about giving access to any group who was interested, to be totally transparent, to have community conversations to get broader input from the community, to be more inclusive, etc. Mayor Ladner thanked Chief Portillo for all he was doing and that he had a great Police Department.

Update on the budget by Manager Brown. Manager Brown said he was still not at a point to make a final decision and that the budget would change throughout the fiscal year as they got information about the economy. He stated they had 167 newly opened water accounts in the last few months because a lot of people were moving in from out of state. He said they had a total of 6,700 water accounts and 167 new accounts was a dramatic increase for the community. He said the total revenues for the water and sewer fund was projected at \$6.3 million and it was currently at \$6.5 million. He said a lot of the increase was due to people being home, taking care of their yards, growing gardens, etc. He said the last two months of lodgers' tax revenues were pretty ugly. He said in May 2019 they brought in \$36,000 and in May 2020 they only brought in \$8,000. He said the gas tax (street maintenance fund) was doing pretty well with two cents for every gallon sold, especially since things were starting to open up again and people wanted to take trips in their cars. He said for the general fund he was looking at a 15 to 22 percent decrease in the budget or about \$1 million to \$1.5 million. He said in May they saw a 7.65 percent decrease in revenue from the previous year, but the revenues for the month of April went up 8.65 percent which actually matched what he thought might happen when he looked at 2001, 2003 and 2008 when there were large layoffs and major issues with the economy in Grant County. He said the retail was the same as the previous year, but a big part of the increase came from food sales. He said in 2019 there was a total of \$3.5 million in food sales and in May 2020 they saw \$5.8 million in food sales. He said he did not see as much of a drastic decrease as anticipated, and he was looking at a range of a 14 to 15 percent decrease. He said the hiring freezes for the unions and the 3.9 percent decrease in pay for all the employees should take care of the 14 to 15 percent decrease in the budget. He said the special session of the state legislature just allocated some funds for municipalities which ranged from \$750,000 to \$1.5 million for next year. He said he thought they would be okay with their current revenues and expenditure cuts. He said if they did receive funds from the state, they could add some employees to some of the departments with frozen positions, and the furloughs may be extended a month or perhaps canceled. He said with the 8.65 percent increase in gross receipts taxes in the last month and the months prior to the shutdown, they received \$10.6 million dollars in gross receipts tax which was the most gross receipts taxes ever brought in. He said in Fiscal Year 2022 they would start getting internet gross receipts tax sales which would add

about 10 percent to their revenue. He said if the Census numbers came under 10,000, and if they did not pass any of the hold harmless gross receipts taxes, they would be able to get 100 percent of their hold harmless back. He said for Fiscal Year 2020 they phased out \$550,000 of hold harmless and in Fiscal Year 2021 they were looking at losing \$660,000. He said the following year they would bring back \$660,000 plus the internet sales which would be good for the budget. He said they started decreasing expenditures in April, so they were able to increase the ending cash balance. He said the ending cash balance was supposed to end up with \$850,000, but they would end up with \$1.4 million. He said he would take that money to pay off a lot of the small loans and get rid of debt. There was further discussion.

9. PUBLIC HEARINGS – None.

10. UNFINISHED BUSINESS – None.

11. NEW BUSINESS -

A. Approval / Disapproval of Notice of Intent Ordinance No. 1291: An Ordinance granting a Telecommunications Franchise to Fatbeam, LLC. Attorney Scavron said the matter came to the Town when Fatbeam, LLC informed the Town they had won the bid to install high speed and broadband internet for the Silver Schools. He said during the process they decided they wanted to get a franchise to be able to operate a broader service for the town. He introduced Jessica Woods with Fatbeam, LLC. Ms. Woods said they won the bid for the Silver School District project to build them fiber and they were currently working with an engineering firm. She asked Graham Taylor to provide details since he coordinated the project with the Silver School District. Mr. Taylor said Ms. Woods handled the regulatory issues and he worked with school districts and city and county governments. He said they were awarded a contract to build a fiber network to help enhance some of the capabilities for the school district, and they hoped to put in additional investment into the community to provide alternate internet connectivity options. He provided information about Fatbeam, LLC. There was further discussion about the following: how there were internet difficulties in Silver City; how Fatbeam was a commercial provider and an open access provider and worked with other wireless providers and entities that provided residential services; how Fatbeam's first priority was with the school district and their business model was to bring greater connectivity to smaller communities; how Fatbeam had an agreement with PNM to use existing pole lines and they were working with CenturyLink to utilize existing facilities for underground work; how their contract with the school district was for five years, but they were looking for a 10 year franchise agreement with the Town; how their intention was to be in Silver City for the long term; and how real progress had been made, due to the schools and universities, in providing broadband to small rural towns. Mayor Ladner said he would entertain a motion. Councilor Aiman-Smith moved to approve Notice of Intent Ordinance No. 1291: An Ordinance granting a Telecommunications Franchise to Fatbeam, LLC. Councilor Bettison seconded. Mayor Ladner asked for a roll call vote. Councilor Bettison voted aye; Councilor Aiman-Smith voted aye; Councilor Ray voted aye; and Councilor Cano voted aye. Motion carried. Mayor Ladner said the final vote on the ordinance would be during the July 14 Council meeting.

B. Approval / Disapproval of Resolution No. 2020-13: A Resolution of the Town Council of Silver City, New Mexico, authorizing the submission of a New Mexico Community Development Block Grant Program Application to the Department of Finance and Administration/Local Government Division; and authorizing the Mayor to act as the Town of Silver City's Chief Executive Officer and Authorized Representative in all matters pertaining to the Town of Silver City's participation in the Community Development Block Grant Program (for water system improvements). Manager Brown said the Town continued to apply for CDBG grants; that it was one of the programs they had been successful with. He said they just completed the 2019 street project on the west side of Highway 90 in the Chihuahua Hill neighborhood. He said this application would be for the final phase of the waterline replacement in the Chihuahua Hill neighborhood on the east side of Highway 90. He said the total grant was \$652,596.000 with the Town match being \$65,259.60. He said the actual grant amount was \$607,236.00 and the match was \$65,259.60. He said they had actually spent \$42,000 of that on engineering so they would have to come up with \$22,000 if they were successful in acquiring the grant. Mayor Ladner said he would entertain a motion. Councilor Ray moved to approve Resolution No. 2020-13: A Resolution of the Town Council of Silver City, New Mexico, authorizing the submission of a New Mexico Community Development Block Grant Program Application to the Department of Finance and Administration/Local Government Division; and authorizing the Mayor to act as the Town

of Silver City's Chief Executive Officer and Authorized Representative in all matters pertaining to the Town of Silver City's participation in the Community Development Block Grant Program (for water system improvements). Councilor Cano seconded. Mayor Ladner asked for a roll call vote. Councilor Bettison voted aye; Councilor Aiman-Smith voted aye; Councilor Ray voted aye; and Councilor Cano voted aye. Motion carried.

C. Approval / Disapproval of Resolution No. 2020-14: Supporting a Public-Private Economic Development MainStreet Project. Manager Brown said it was the annual resolution stating the Town partnered with the MainStreet Project for services for the next year. He said the MainStreet Project had been doing a tremendous job, especially over the last couple of years which had been some of the most productive years. He said it had been great working with Charmaine Wait, Executive Director of the Silver City MainStreet Project, and he recommended they approve the Resolution. He provided more information about economic development services and the MainStreet contract. Councilor Ray moved to approve Resolution No. 2020-14: Supporting a Public-Private Economic Development MainStreet Project. Councilor Cano seconded. Mayor Ladner asked for a roll call vote. Councilor Bettison voted aye; Councilor Aiman-Smith voted aye; Councilor Ray voted aye; and Councilor Cano voted aye. Motion carried.

12. ADJOURNMENT – Mayor Ladner concluded the meeting. Councilor Aiman-Smith moved to adjourn at 7:14 p.m., and Councilor Ray seconded. Mayor Ladner stated there was a motion and a second to adjourn. He asked for a roll call vote. Councilor Bettison voted aye; Councilor Aiman-Smith voted aye; Councilor Ray voted aye; and Councilor Cano voted aye. Motion carried.

Ken Ladner, Mayor

Attest:

Ann L. Mackie, Town Clerk