

MINUTES OF THE CITY COUNCIL
OF THE CITY OF RUIDOSO DOWNS
CITY COUNCIL CHAMBERS
WORK SESSION
MAY 18, 2011
3:30 P.M.

The Council of the City of Ruidoso Downs met in a Work Session on May 18, 2011. Mayor Armstrong called the meeting to order at 3:30 p.m. and asked Judge Harrold Mansell to lead the Pledge of Allegiance. Mayor Armstrong asked Carol Virden, City Clerk/Treasurer to take roll call. The following were present:

Councilor Olivo
Councilor Holman

Councilor Williams
Councilor Hood

Carol Virden, City Clerk/Treasurer informed Mayor Armstrong there was a quorum.

Also present:

Carol Virden, City Clerk/Treasurer
Doug Babcock, Police Chief
Terri Mosley, Finance Director
Steve Dunigan, Planning & Zoning Director
Cleatus Richards, Public Works Director
Jim Kofakis, Museum Director

REVIEW AND DISCUSSION OF FY 2011-2012 BUDGET

Mayor Armstrong asked Terri Mosley, Finance Director to begin.

Terri Mosley, Finance Director said the Budget Committee has had several meetings with department directors and working on the preliminary 2011-2012 budget. We've worked with them and we have all made cuts. We are being very conservative but now we have a workable budget. She said she wanted to point out a few items.

The General Fund revenues have been decreased by \$162,419 from last year's budget and expenditures have been decreased by \$112,625. We currently have excluded all of the Capital Outlay and the only Capital expenditures we are allowing are projects that have grant money. We don't have any Cost of Living Increase at all but there was an increase of 15% on the health insurance and may need salaries increased by that percentage. The Public Works Director's salary is being split between the General Fund at 60% and the Sewer Fund at 40%. We have given the Humane Society the same amount of \$27,000. We have put the same amount for the E-911 Program of \$24,000. We put the same amount for the Village of Ruidoso Library of \$5,000. We have separated out the Water & Sewer Joint Fund so now the Sewer Fund is Fund

53 and the Water Fund is Fund 55. She said DFA requested that. Fund 43 is Debt Service for the Wastewater Treatment Plant that was created and is on the recap but we are not going to have to use that. It was going to be for a million dollar loan that they have been approved for but because they received more grants for this project they are not going to have to use that. Fund 40 is Debt Service and that includes payments for a \$100,000 loan for the Wastewater Treatment Plant and that includes a \$6,114 payment. Also in that is the bond payment that is \$93,969. She said she was transferring the full amount that was allowable from Infrastructure GRT into that fund for the Debt Service and she was hoping that if they get everything they budgeted for they would be able to pay off that \$100,000 loan by the end of the new year. She said transfers were being made due to the fund accounting that municipalities were required to use. They receive revenues into the proper fund for tracking and then transfer the fund which they will be using for the expenditure but will be recording the same money twice. For example the gas tax road fund that is Fund 27 we receipted the tax collected into that fund and they transferred it out to the General Fund that has the Street Department. Then they have Fund 27 Street Improvement Fund. They did meet their 1/12 reserve for the General Fund that is mandated by DFA and is currently \$254,329.42.

Terri Mosley, Finance Director asked if they would like to go through each department or how they would like to proceed?

Councilor Hood said he thought they should go through each department.

Terri Mosley, Finance Director said they would start with the revenues on page 1 with the totals.

REVENUES:

Taxes	\$1,611,451
Intergovernmental	\$1,293,031
Licenses & Permits	\$ 16,494
Charges for Services	\$ 4,299
Fines & Forfeitures	\$ 68,160
Miscellaneous	\$ 37,658
Other Revenue Sources	\$ 37,658
Legislative	\$ 54,095
Municipal Courts Department	\$ 157,737
Legal Department	\$ 246,668
Finance & Administration	\$ 471,773
Parks & Recreation	\$ 144,242
Senior Citizens Department	\$ 10,150
Police Department	\$ 998,105
Animal Control	\$ 58,930
Code Enforcement	\$ 55,567
Planning & Zoning	\$ 192,356
Street Department	\$ 382,691

Garage	\$ 140,085
Fire Department	\$ 73,553
Nondepartmental-1	\$ 33,500
Nondepartmental-2	\$ 32,500
Transfers	\$ 861 -

REVENUES:

Local Government Correction	\$ 29,000
<u>EXPENDITURES:</u>	\$ 8,685

REVENUES:

Judicial Education Fees	\$ 4,000
<u>EXPENDITURES:</u>	\$ 4,000

REVENUES:

Court Automation	\$ 8,615
<u>EXPENDITURES:</u>	\$ 8,615

REVENUES:

Lincoln County Transit	\$ 220,639
<u>EXPENDITURES:</u>	\$ 318,757
<u>TRANSFERS:</u>	
From Lodgers' Tax	\$ 25,000

REVENUES:

Emergency Medical Services	\$ 5,750
<u>EXPENDITURES:</u>	\$ 5,750

REVENUES:

Street Improvement	\$ 302,711
<u>EXPENDITURES:</u>	\$ 141,137
<u>TRANSFERS:</u>	
General Fund	\$ 91,766

REVENUES:

Gas Tax Road Fund	\$ 13,200
<u>TRANSFERS OUT</u>	\$ 13,200

REVENUES:

Fire Protection Fund	\$ 58,584
<u>EXPENDITURES:</u>	\$ 58,584

REVENUES:
 Federal Emergency Mgt Agency \$ 52,907
TRANSFERS: \$ 38,742

REVENUES:
 Law Enforcement Protection \$ 24,800
EXPENDITURES: \$ 24,800

REVENUES:
 Lodgers Tax-Promotional \$ 106,688
EXPENDITURES: \$ 20,360
TRANSFERS: \$ 113,068

Carol Virden, City Clerk/Treasurer said the Lodgers' Tax Committee performed new calculations to increase the allocations from the Council Meeting of May 9, 2011. Please note that the basis for each recommendation was the location of the event, number of nights of requiring accommodation, and the geographical scope of advertising. The changes were as follows:

<u>EVENT</u>	<u>PRIOR RECOM.</u>	<u>NEW RECOMMENDATION</u>
Chamber Music Festival	\$ 311.85	\$ 650.00
BTK Chute Out	\$ 1,125.00	\$ 2,500.00
Military Appreciation Weekend	\$ 1,620.00	\$ 3,600.00
Aspen Cash Motorcycle Rally	\$ 3,645.00	\$ 5,000.00
Golden Aspen Motorcycle Rally	\$ 5,000.00	\$ capped at \$5,000.00
L.C. Cowboy Symposium	\$ 5,000.00	\$ capped at \$5,000.00
Ruidoso Oktoberfest	\$ 1,053.00	\$ 2,350.00
Ruidoso Chili Society	\$ 607.50	\$ 1,350.00
Fort Stanton Live	\$ 540.00	\$ 1,200.00
Christmas Jubilee 2011	\$ 1,215.00	\$ 2,700.00
Rds. Noon Lions-Crafts,Guns	\$ 180.00	\$ 400.00
Total:	\$20,297.35	\$29,750.00

Councilor Hood asked if this was set in stone?

Carol Virden, City Clerk/Treasurer said council can make changes as they see fit.

Terri Mosley, Finance Director continued.

REVENUES:
 Lodgers Tax Non-Promotional \$ 71,125
EXPENDITURES: \$ 28,000
TRANSFERS: \$ 39,713

REVENUES:
 Museum Fund \$ 696,858
TRANSFERS: \$ 110,000
EXPENDITURES: \$1,007,747

REVENUES:
 Infrastructure Fund \$ 250,536
TRANSFERS: \$ 250,536

TRANSFERS:
 Debt Fund \$ 200,085
EXPENDITURES: \$ 100,085

REVENUES: \$ 113,573
 GO Bond
TRANSFERS: \$ 93,969
EXPENDITURES: \$ 1,135

REVENUES:
 CDBG Grant \$ 472,898
EXPENDITURES: \$ 453,757

REVENUES:
 Sewer Fund \$ 531,750
TRANSFERS: \$ 39,333
EXPENDITURES: \$ 527,409

REVENUES:
 Sanitation Fund \$ 249,804
TRANSFERS: \$ 25,000
EXPENDITURES: \$ 274,804

REVENUES:
 Water Fund \$ 522,500
EXPENDITURES: \$ 513,202

REVENUES:
 Water & Sewer Improvement \$ -0-
TRANSFERS: \$ 32,181

TRANSERS:

Sewer Capital Improvement Fund \$ 12,000

WATER SECURITY: \$ 2,000

EXPENDITURES: \$ 1,595

Patty De Soto, Lincoln County Transit Manger said she just submitted the reimbursements for February and so March and April are still outstanding. Those average about \$14,000 each and they also have about \$16,000 coming back from the Stimulus Fund.

Terri Mosley, Finance Director said she would like to point out on Lodgers' Tax. The committee did not include any amount for things like radio advertising that they have done in the past for City promotional advertising. They haven't done any lately but that was something that the council could add if they wish to.

Councilor Williams asked how much they had for the past?

Terri Mosley, Finance Director said \$3,500.

Councilor Hood said one of the local things that was consistent in Ruidoso Downs was the Food Bank but he didn't see it on the list.

Carol Virden, City Clerk/Treasurer said the reason the Food Bank was not on the list was because they did not make application for funds.

Councilor Williams asked Cleatus Richards, Public Works Director on the Street Improvement Fund, page 46 Expenditures, in the past there was \$10,000 allocated for that and there was none this year?

Cleatus Richards, Public Works Director said no.

Councilor Williams said on the Co-op Grants 08-09 those numbers didn't corrolate.

Terri Mosley, Finance Director said that was an error on her part.

Councilor Williams asked if there had been any application for more grants for the Economic Development Board for this year?

Carol Virden, City Clerk/Treasurer said they just received \$4,000 for this year but none for next year.

Councilor Williams asked Chief Babcock if anything had been brought up about the E-911 funding and there were any increases or were they okay with the current \$24,000?

Chief Babcock said he hadn't heard anything.

Councilor Williams asked if there had been any discussion on whether our 911 calls were up or down because that was what they were basing it on?

Chief Babcock said he could research that.

Councilor Williams asked Cleatus again if he was okay with that line item on Streets and what it was used for in the past?

Cleatus Richards, Public Works Director said for drainage and easements but didn't see anything coming up for the next year.

Councilor Williams said so you aren't planning ahead for something that you may be looking for a project consideration that they could use this money for?

Cleatus Richards, Public Works Director said no.

Councilor Williams asked if the money had been reimbursed for the bridge?

Cleatus Richards, Public Works Director said no.

Terri Mosley, Finance Director said they had the most recent numbers and this is what they were expecting to get reimbursed.

Councilor Williams asked Terri to explain the transfer of \$110,000 to the public.

Terri Mosley, Finance Director said it was page 62 and there was a \$78,000 transfer from Lodgers' Tax Non-Promotional and \$32,000 from Lodgers' Tax Promotional.

Councilor Williams said he would like to commend the director for not requesting money from the General Fund this year.

Councilor Williams asked Cleatus Richards, Public Works Director on page 84 under River Restoration that the past year had \$37,500 and this year zero and asked why?

Terri Mosley, Finance Director said that had been moved to Fund 53.

Councilor Williams asked what the projections were for the new 1/16th GRT?

Terri Mosley, Finance Director said \$200,000 and it was on page 72.

Councilor Williams asked how that would be distributed?

Cleatus Richards, Public Works Director said it would be allocated for the rising cost of the sewer plant operation. The plant was just now going online so they would have to monitor the cost of operations. He and Bobby Snowden with the Village had communicated substantially in these areas.

Councilor Williams said since the council had approved the ¼% on the GRT he said he would like to have updates on that allocation and what it was being used for and hoped the others would concur.

Councilor Williams asked from the Lincoln County Transit Manager if there had been any communication from the Village on their portion of the agreement?

Patty DeSoto, Lincoln County Transit Manager said she was having a meeting with them, with Mayor Alborn, on the 23rd and will give a presentation and also with Mescalero with a presentation. They help fund Z-Trans out of Alamogordo and was very hopeful they would help and was told that if it didn't go through the tribe it could possibly come through the Inn of the Mountain Gods or the Travel Center under transportation costs. She was talking with Wal-Mart about contract service for \$10,000

Councilor Williams asked if there had been any discussion with ENMU?

Patty DeSoto said she spoke to Dr. Allred and he told her funding was very tight right now. She said they surveyed up to March and 475 riders were from Inn of the Mountain Gods, 376 were from Wal-Mart and those were the ones she wanted to approach first and then dig in further with this Development Proposal.

Councilor Hood asked when Lincoln County closed the door if they ever had conversation about coming back at anytime?

Patty DeSoto said they made it very clear that there was very little chance they would change their mind.

Councilor Williams said back to the Lodgers' Tax funding he said it was important to keep the funding for radio advertising in place.

Jim Kofakis, Museum Director said the spots that were done last year were extremely borderline on being legal and he was told by Terri, Carol, and the mayor to go back and read the statutes. You have to promote the City as a tourist destination. He said he would caution them if they put money back in there to review the text and make sure it was correct. Tim Keithley would say, go to La Quinta, and you can't use Lodgers' Tax funds to promote lodgers.

Carol Virden, City Clerk/Treasurer said Mr. Keithley did a super job of promoting Ruidoso Downs and he did not just say La Quinta and included every single lodging industry in the City of Ruidoso Downs. She said she could guarantee them that with the funds that the

governing body allows for the promotional of the City of Ruidoso Downs will include Wal-Mart, the museum, All American Park and so forth.

Jim Kofakis said he could guarantee them that not every ad included every lodging and would caution them on the text. He said while they were talking about that he asked Terri if he understood that \$25,000 was coming out of Lodgers' Tax for Lincoln County Transit?

Terri Mosley, Finance Director said that was because they transport tourists.

Councilor Williams said he would suggest \$2,500. He said he would also like to suggest less funding for the Golden Aspen Rally since they moved to the Inn of the Mountain Gods and a little bit more to other events that are here. He suggested dropping \$1,500 off of that and redistribute to local events.

Councilor Holman said he also had some concerns about the Golden Aspen Rally and that it was moving entirely to the Mescalero Reservation and even Otero County would benefit from that so it might be well to look at that. He said also the Wastewater Treatment Plant and the Lincoln County Transit certainly were not blind-siding them and there were indications and statements about this for months. On the radio thing there were questions of that a year ago or more but not along the lines of whether it was legal or not but about the big increase.

Councilor Olivo said everything keeps going up like on the chemicals and operations for the Treatment Plan and it was going to be up in the air from now on. On the Transit all we could do was cut services to the County.

Councilor Williams asked if there was any allowance for consideration of a rate hike for power? If not they should consider that.

There was discussion about this amongst the governing body.

DISCUSSION OF ORDINANCE NO. 2011-02

Mayor Armstrong stated next item on the agenda was - Discussion of Ordinance No. 2011-02.

Cleatus Richards, Public Works Director said in the last agenda packet he included an additional memorandum outlining some of the costs involved for the department to make water and sewer taps to show the council our costs. We are not trying to make a profit but are trying to cover their costs. He said he included a copy of the Consumer Price Index and it showed that it had increased over the past 10 years at about 2% each year.

Councilor Holman asked if Ordinance 2011-02 could be separated into specific items as opposed all into one? They would be voting on it and may not agree on every section. He said he would like to amend the part about holding the property owner responsible for the renter. The City could require a deposit of the first and last month. The first month could protect the City and the second month could be to protect the owner. He said another thing is

the water rates and holding people responsible for what they have used. He would like to look at an exception and that is if somebody has had an unforeseen thing and their water bill was now twice as much he would like to allow them to make payments. He said he couldn't see any reason to let someone get that far behind.

Cleatus Richards, Public Works Director said commercially if we cut that water off the landlord or owner would be blaming us for losing that tenant.

Councilor Olivo asked how many taps are done a year?

Cleatus Richards, Public Works Director said in the last two years only one or two.

Councilor Olivo asked if the contractor or City did that?

Cleatus Richards said the City has to take care of its water system. He thought we needed to increase the deposit and was being proposed in the ordinance that would give them some leverage and be more aggressive in the water billing. If they are behind they need to be shut off.

Councilor Holman said if we got enough deposit it would eliminate these problems for us and the property owner.

Cleatus Richards, Public Works Director said it needed to be an aggressive program. If they don't pay we shut off the service.

Carol Virden, City Clerk/Treasurer said what she hears Councilor Holman saying was the proposed rate increase for tenants security deposit was being proposed at \$200 and what she was hearing him say was to increase it to \$200? \$300? And that the property owner not be responsible should the tenant leave?

Councilor Holman said whatever the City thought was a reasonable deposit, double it for the property owner. If the City had the deposit and we're keeping up with it it would protect the City provided we're not letting things go. He said we are frustrated and are in over \$100,000 with this problem. He said they were responsible as councilors for the fiscal stability.

Terri Mosley, Finance Director said part of the problem they have had with some of the renters was that they don't ever come in and we don't find out there is a renter in that property until someone else comes in to put up their deposit. The owner needs to know when the new renter comes in and we should put more responsibility on the owner. Sometimes their tenant moves out within a month.

Carol Virden, City Clerk Treasurer there were some property owners present and asked if anyone would like to speak?

Wayne Williams said what Cleatus said was wrong. If a renter was behind on his utility bills the chances were he was behind on his rent. The hom owner would not be mad at the City if they quit service.

Pete Baca said he had a thing with the renter being responsible for their usage of the water. Other utility companies ask for a rental agreement before they turn it on. An owner has to prove they own the property. He said the renter should be responsible. If a lien is filed it causes many problems. They should get notices at 30, 60, and 90 days notice and then shut off.

Councilor Holman said the problem was that we were not operating like the other utility companies and turning them off when we should.

Councilor Olivo said he also went to a utility company and they have a 30-day and if they don't pay the amount they cut the service.

Pete Baca said he was also paying for sewer along with water and he was not using the sewer. For instance he said he waters three horses and was putting nothing down the sewer by doing that.

Pam Williams said she agreed totally with Mr. Baca but also that you have renters that go from one house to another and so you would have four or five land owners and they don't know who you've rented from. She said it just can't read that the homeowner was responsible for the utilities. If the renter got behind and didn't pay the whole bill they should be shut off until they get caught up. They don't deserve the service if they can't pay for it.

Councilor Williams commended the mayor for allowing these citizens to talk because as council members they needed the input, especially those directly involved with some of the aspects of this ordinance. He said they encourage them to be a part of the solution.

Carol Virden, City Clerk/Treasurer said in reference to section 50.20 Rates & Billing Charges and Collection, Appendix A, it might behoove the property owner as well as the City of Ruidoso Downs to that the City charge the tenant a higher rate of Security Deposit of more than \$200.00. What will happen and starting in June for those that are delinquent will be turned off. If they don't pay we will take whatever they owe and include in their final bill out of their Security Deposit. If they want it turned back on they would have to pay another Security Deposit. If this ordinance passes on May 23rd then they would pay the new rate for Security Deposits. In the strikethroughs and substituting it with "the tenant shall provide a contractual agreement prior to the services being turned on when applying for services."

Mayor Armstrong asked some of the citizens if it would be better to go through all of this or would it be better for the owner of the property to charge more?

Pam Williams said they were on a well and there was a difference between that and a person renting a property and say they were there to take care of the lawn and just letting water run down the road.

Pete Baca said if you have several rentals you get a stack of four or five water bills you would have to be an accountant to keep track of them all.

Pete Baca and Pam Williams said raising the rent was not a good option because you didn't know what they were going to do. Pete said if it was the renters bill they would be more apt to not letting the water run over.

Terri Mosley, Finance Director asked if setting the Security Deposit at \$300 would keep them from renting?

Wayne Williams said \$300 seemed high when the average bill was \$70. He said if you guys did your job that \$100 or \$150 would be plenty.

Councilor Hood agreed with him.

Terri Mosley said they send a late notices at 15 days.

Joyce Gustafson said sanitation, sewer, electricity, and everything was going up so why don't they charge two months?

Carol Virden, City Clerk/Treasurer said she didn't think it would be fair to the new tenant that if they went back to the previous tenant and take an average of the gallons used for a Security Deposit. Maybe the previous tenant had six people in the home versus only one or two.

Mayor Armstrong called for a 15-minute break.

Carol Virden, City Clerk/Treasurer said she would like to suggest on the proposed Ordinance 2011-02 that they take each section of Chapter 50 and then the council could make suggested amendments instead of jumping back and forth. She said they would start with Chapter 50 Water, General Provisions, Sub-Section 50.01 Water Department.

Councilor Williams said he would like the council members to consider the corrections or additions as they discuss this. He asked if the additions recommended could be added to it or brought out for discussion?

The changes were as follows:

CHAPTER 50. WATER

GENERAL PROVISIONS

§50.01 WATER DEPARTMENT: MAINTENANCE FOREPERSON

The Water Department is hereby established and shall be supervised by the Maintenance foreperson. The Maintenance foreperson [Public Works Director, who] shall have supervision of the installation, [operation,] maintenance, and [management] [other necessary functions of] the Water Department.

SERVICE; CONNECTIONS

§50.15 WATER SERVICE.

(A) The Water Department shall furnish water service under its rules and Regulations to all owners, tenants, firms, or corporations, pursuant to §§ 3-27-1 *et seq.* NMSA 1978, as amended, whose premises are on streets or alleys in which there is a City water main, but shall not serve any person, owner, tenant, firm or corporation who is delinquent in payment of water bills at any other premises within the City. The Water Department shall not serve any premises with water where it has reason to believe that the owner, tenant, or occupant has made application for water service in the name of another person in order to avoid payment of delinquent water bills at that or other premises in the City. ~~[Notwithstanding the foregoing, water shall be furnished to any person who lives in Agua Fria at the same rates as the residents of the City.]~~ All other residents [customers] outside the City limits, from and after the effective date of this section shall pay double the City rates assessed in this chapter.

§50.18 PRIVATE LINES OR PIPES

(A) Private lines or pipes connected to the installations provided by the Water Department shall be in accordance with the Uniform Plumbing Code ~~[of the State.]~~ and the Rules and Regulations of the Environmental Improvements Division of the ~~[Environment Department]~~ of the State ~~[of New Mexico.]~~ [All private and fire lines shall be equipped with dual check detector back flow devices, ASSE Std. 1048 or equivalent.] Prior to the installation of private water lines or pipes, the user must make application as set forth herein.

§50.19 ~~[CONTROL OF EQUIPMENT]~~ [PHYSICAL COMPONENTS]

All of the ~~[equipment]~~ [components] connected with the water system, including private lines, pipes, ~~[or mechanical devices]~~ [valves, tanks, pumps, wells, hydrants and treating facilities] shall be and remain under the control of the Water Department. It shall be unlawful for any person other than members of the Water Department or duly [permitted and] licensed plumbers to connect, disconnect, move, ~~[tamper with]~~, turn on or off, any valve, meters, or other installations. [Per Homeland Security Presidential Directive HSPD9, any such activity by unauthorized personnel shall constitute a misdemeanor and be subject to fines not less than \$100.00 for first offense and \$500.00 thereafter for subsequent offenses.]

All water customers shall have their own water shutoff on the customer side of the water meter (Sec. 605.2 NM Plumbing Code)][Customers with private wells shall not cross connect their system to the City water system and shall have back flow

preventers on their private system to assure separation of systems (Sec. 203 NM Plumbing Code)]

It shall be unlawful for any person to take or use water from the [City water] system except under the terms and conditions specified hereunder.

§50.20 RATES AND CHARGES; BILLING AND COLLECTION.

(B) The rates shall be paid by the person responsible for the same at the office of the Utility Clerk within 15 [10] days after receipt of statement.

(C) Delinquent accounts shall incur a penalty of [10% of the unpaid balance,] [\$10.00 dollars a flat rate per month,] which shall be added to the unpaid balance. Pursuant to §§ 3-27-1 *et seq.* NMSA 1978, as amended, the charges imposed by this chapter shall become a lien upon the premises being served by this service. The lien shall be enforced in the manner provided by §§ 3-36-1 *et seq.* NMSA 1978, as amended. If an owner of property notifies the [Municipality] [City] that utility charges which may be incurred by a renter will not be the responsibility of the owner, and this notification is given, in writing, to the [Municipality][City] prior to the initiation of the debt, and further including the location of the rental property, then the lien hereinabove provided shall not apply as to that rental property. [Tenants shall provide to the City an executed rental agreement when applying for services.]

WATER CONSERVATION PLAN

§50.51 VOLUNTARY WATER CONSERVATION MEASURES

(A) ~~The City Administrator or Mayor,~~ [The Mayor or the Mayor's Designee] upon the recommendation of the Public Works Director, shall have the authority to initiate a voluntary water conservation stage. The following water conservation measures shall be in effect at the times specified.

§50.52 WATER CONSERVATION STAGES; RATIONING.

The following water conservation stages shall be in effect at the times specified. When Stage 1, Stage 2, or Stage 3 water rationing is in effect, no person, firm, agency, or corporation shall use any water in violation of any provision of the subchapter.

(A) *Stage 1 water rationing.* Whenever the weekly average flow of the Griffith Springs drops below 290 gallons per minute (gpm), or the static level of the City wells drop by 10% or more of the seasonal average, or the current usage meets or exceeds 95% of total allotment from the State Engineer's Office, the [City Administrator][Mayor or Mayor's Designee] shall have the authority to impose Stage 1 water rationing. The [City Council] [Governing Body] shall consider the actions [of] [the City Administrator] at its

next meeting, at which time the [~~City Council~~] [Governing Body] shall approve or disapprove the action taken. [~~by the City Administrator.~~] The following requirements shall be in effect.

(1) [~~The City Administrator~~] [The Mayor or Mayor’s Designee] shall make public announcements, through the print and broadcast media, concerning Stage 1 water rationing, whenever Stage 1 is in effect.

(2) The [~~City Council~~] [Governing Body] shall be called into emergency session in accordance with the current open meetings resolution after the imposition of State 3 to consider ratifying the [~~the City Administrator’s~~] [the Mayor or Mayor’s Designee] action or to amend or lift the Stage 3 water rationing, as circumstances warrant.

(C) Stage 3 water rationing.

(1) The [~~City Administrator~~][Mayor or the Mayor’s Designee] will make public announcements in the print and broadcast media that Stage 3 water rationing is in effect. The announcement will include a description of the provisions in effect.

(7) It shall be the policy of the City to keep Stage 3 in effect for no longer than absolutely necessary. The [~~City Administrator and~~] [~~City Council~~] [Governing Body] shall take steps to lift the Stage 3 restrictions as soon as lifting the restrictions will not endanger the water supply by reducing amounts of water in storage. (1988 Code, §4-3-21.1) (Ord. 2002-06, passed 6-11-2002) Penalty, see §50.99

§50.53 ENFORCEMENT

(B) The [~~City Administrator~~][Administration] will [~~make~~] [provide] written reports to the Mayor and [~~City Council~~] [Governing Body] at [~~every~~] [each] [~~City~~] Council meeting (including emergency sessions called under this subchapter) while water rationing is in effect. [~~City Administrator~~][Administration] will [~~make~~] [provide] weekly written reports to the Mayor and [~~Council~~] [Governing Body] while Stage 3 water rationing is in effect. (1988 Code, §4-3-21.3) (Ord. 2002-06, passed 6-11-2002) Penalty, see §50.99

APPENDIX A: SCHEDULE OF RATES AND CHARGES

The base rate for water users, security deposits, connections and reconnections shall be as follows.

(A) Security deposits

Type of use	Charge to Owners	Charge to tenants	Ord. No. Date passed
Commercial	\$100 [\$200]	\$150 [\$200]	94-10—
Mobile Home Park	\$25 per lot	\$25 per lot—	94-10

Residential \$50 [~~\$75~~] ~~\$75~~ [~~\$150~~] ~~94-10-~~

(B) (3) Rate increase schedule. ~~Thereafter the residential, Commercial, and availability base rate shall be increased by 3% per year for the next five years beginning in July 2003.~~ [The minimum monthly rate shall be adjusted annually, at the beginning of the fiscal year, starting July 1, 2012, based on the Consumer Price Index (CPI) as calculated and published by the State of NM.]

(C) Connection Fees

(1) Tap fees shall be as follows.

Type of use	Type of Connection	Fee	Ord No	Date passed
Commercial tap	New service	700	94-10-	
	[3/4"	\$1250]		
	[1"	\$1,300]		
	[1 1/2"	\$1,400]		
	[2"	\$1,500]		
	[3" or greater	priced on request]		

Residential Tap New Service [3/4"] \$400. [\$1250.]

(E) Reconnect [or Disconnect] fees

(1) The reconnect fee for a customer when the meter has been removed by the City for non-payment [or by customer request] shall be as follows:

Type of User	Reconnect Fee	Ord. No.	Date Passed
Commercial	\$175	94-10	
Residential	\$125	94-10	

(2) The reconnect fee for a customer when the meter was not removed by the City [or for temporary shut off of service where meter is not removed.]

Time of action	reconnect or disconnect fee		Ord. No. Date passed
After regular business hours	\$22.50	[\$64.00]	94-10-
During regular business hours	\$12.50	[\$32.50]	94-10-

CHAPTER 51: SEWER DEPARTMENT

§51.06 SEWER INSPECTION AND CONSTRUCTION-RELATED FEES AND CHARGES

(A) Permit. Upon approval of the application by the City Manager [Public Works Director], or his or her designee, a permit shall be issued by the City Clerk, upon the signature of New Mexico- licensed plumber and payment of an [a tap and] inspection fee of \$25 [\$600] for each connection to the public sewer. [The Public Works [Sewer] Department staff will make the sewer line tap after line is exposed by the licensed plumber.] A street cut surface fee of \$250 will be assessed for any project cutting into a chip-sealed or asphalt-surfaced road (regardless of condition). This fee [These fees] will [shall]-be paid at time of acquiring the permit.

§51.09 SEWER SERVICE CHARGES

The City shall, by ordinance, charge and collect from all users of sewer lines and sewage system, for the use thereof, a monthly service charge. No free service shall be provided for any user, public or private. The base rates for sewer service are as follows:

(A) ~~Minimum (or base) monthly sewer charge table by year.~~

Account Type	Effective April 30, 2007 to June 30, 2007	Effective July 1, 2007 to June 30, 2008	Effective July 1, 2008 to June 30, 2009	Effective July 1, 2009 to June 30, 2010	Effective July 1, 2010 to June 30, 2011
Residential	\$17.72	& 18.25	\$18.80	\$19.36	\$19.77
Commercial	\$37.94	\$38.47	\$39.02	\$39.58	\$39.99
Outside City Limits: Residential	\$34.18	\$34.71	\$35.25	\$35.82	\$36.23
Outside City Limits: Residential	\$74.61	\$75.14	\$75.69	\$76.25	\$76.66
Institutional/ Industrial	% 49.16	\$49.69	\$50.24	\$50.80	\$51.21
Availability Charge	\$13.23	\$13.76	\$14.31	\$14.87	\$15.28
Multi-Unit Residential per	\$12.95	\$13.48	\$14.03	\$14.59	\$15.00

Unit Charge					
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(A) The [Minimum (or base) monthly sewer charges shall be adjusted annually from the July 1, 2010 to June 30, 2011 levels, at the beginning of the fiscal year, starting July 1, 2012 using the Consumer Price Index (CPI) as calculated and published by the State of New Mexico.]

(E) *Sewer connections servicing multiple units.* For the purposes of this provision, **UNIT** is defined as part of the property, intended for, and shall be charged as residential (including mobile home parks and apartment buildings), commercial (including office complexes and malls), industrial or any type of independent use, including one or more rooms or enclosed spaces interconnecting, located on one or more floors in a building, and with a direct exit to a public street or highway, or to a common area or mall leading to a public street or highway, but shall not include nonresidential recreational vehicles. Hotels, motels and nonresidential, tourist-related recreational vehicles parks and those businesses required to pay Lodger’s Tax, as per §3-38-13 through §3-38-24 NMSA 1978, are specifically excepted and excluded from the effect of this provision. Sewer connections serving more than one unit, and not required to pay Lodger’s Tax, as per §3-38-13 through §3-38-24 NMSA 1978, shall be charged the minimum monthly charge for sewer service multiplied by the number of units being serviced by the sewer connection. {The rate of \$12.95 shall be charged per residential unit on a multi-unit account for the remainder of fiscal year 2006-2007. Thereafter, the above table in division (A) dictates charges through June 30, 2011.} The regular commercial sewer rate shall be charged per unit to commercial multiple units. In addition, each sewer connection servicing more than one unit shall be charged the commodity charge for that amount of liquid waste discharged that is in excess of the number of units being served by the sewer connection multiplied by 1,000. Multiple units serviced by single meters shall be charged usage rates based upon the number of units.

(F) *Sewer System Capital Equipment and Infrastructure Fund.* A flat fee shall be assessed on each sewer account to provide funds for the sole purpose of providing a reserve fund for sewer system capital infrastructure and equipment necessary to properly operate and maintain the sanitary sewer system. This fee shall be [as indicated in the chart below: [\$1.48 per month.]

Account Type	Effective April 30	Effective July 1	Effective July 1	Effective July 1	Effective July 1
	2007 to June 30, 2007	2007 to June 30, 2008	2008 to June 30, 2009	2009 to June 30, 2010	2010 to June 30, 2011
All Sewer Accounts	\$.91	\$1.03	\$1.16	\$1.31	\$.148

- (G) *Tank truck discharged.* ~~Companies or individuals engaged in the commercial enterprise of septic tank maintenance who convey liquid waste and discharge from such conveyance into the City system shall be required to obtain a permit from the City. Such liquid waste shall consist of domestically produced sewage or gray water (as defined by State statute). There shall be a fee of \$25.00 for the permit and it shall be valid for one year from the date issuance. Upon receipt of a permit, companies or individuals may discharge at designated manholes only, subject to a charge of \$500 per 1,000-gallon truckload or part thereof. Any person negligently or willfully violating the department requirements for liquid waste discharges from trucks shall be in violation of this chapter, and may have his/her permit revoked, in addition to other remedies provided by law. The City reserves the right to prohibit discharge of liquid wastes of such strength characteristics that do not allow effective treatment by the City's wastewater treatment plant. In addition, wastewater treatment plant or NPDES permit conditions from time to time may necessitate the prohibition of abovementioned discharges into the system. Under such conditions, the City reserves the right to disallow such discharges. Fees under this provision are to be paid monthly. (Ord. 207-04, passed 3-26-2007)] [Tank truck discharge of liquid waste into the City sewer system and the regional wastewater treatment plant interceptor line is expressly prohibited.]~~

§51.10 SEWER BILLS.

- (C) Failure to pay any delinquent account in full on or before the twentieth 20th day after billing shall be cause for the termination of water and sewer service to any such customer, and the supply of water to any such customer shall be forthwith terminated at the meter. [Customers without water service will have their sewer line plugged at their connection to the city sewer main. A disconnect charge to cover time, materials, and incidentals will be assessed to the customers account to cover the cost of disconnect and reconnect of not less than \$300.]

§51.16 UNLAWFUL HABITATION.

It shall be unlawful for any person to use, as a place of human habitation [public or private enterprise] any building within the City not equipped with proper plumbing and having sewer or septic tank connections. It shall be unlawful for the owner of any

building used as a place of human habitation and not having proper plumbing, and a sewer or septic tank connection, to allow the same to be used as living quarters, or to rent the same for living purposes. (1988 Code, §4-4-14) (Ord. 88-3, passed 7-14-1988; Ord. 2007-04, passed 3-26-2007) Penalty, see §51.99

Ordinance 2011-02 shall become effective five days after publication as provided by law

PASSED, APPROVED AND ADOPTED THIS ____ day of _____ 2011

/s/ Tom Armstrong, Mayor

ATTEST:

/s/ Carol Virden, City Clerk

DISCUSSION OF LODGERS' TAX COMMITTEE RECOMMENDATIONS FOR FY 2011-2012
SPECIAL EVENTS

Mayor Armstrong stated next item on the agenda was - Discussion of Lodgers' Tax Committee Recommendations for FY 2011-2012 Special Events. This item was discussed during the Discussion of FY 2011-2012 Budget.

PUBLIC INPUT

Mayor Armstrong stated next item on the agenda was - Public Input.

Joyce Gustafson said Lincoln County Transit does not warrant having a transit that is going to run over budget \$53,000. The City has budgeted almost \$70,000 in clothing allowance and since this is not a final budget for 2011-2012 the City is incurring a 15% cost on health insurance for employees I would ask the Budget Committee to return to their drawing tables and cut all City employees clothing allowances and at that time furnish uniforms for the Police Officers, Fire Chief, Animal Control, and shirts with City logo for personnel for Parks, Garage, Water, and Sewer Department. These cuts should lower clothing costs from the City budget from \$70,000 to \$30,000. She said she thought the museum days of operation should be cut back to at least 5 days to get better control. Cleatus was saying we need extra money for water lines and the people in Agua Fria have gone this long without water and sewer lines. Cutting these clothing allowances, which I don't see any of the City employees sitting here in uniforms and didn't see many City employees in uniforms. Why are giving them \$75 a month in

clothing allowance? She said \$70,00 a year adds up over time. She said give them the clothing allowance and make them incur the 15% health insurance, one or the other.

Wayne Williams said in the past when I stated my opposition to the City expenses I was asked why I didn't speak up during the budget meeting. It is time for the committee to look at the facts. During a recession you cannot spend or borrow your way out of it. You cannot ask the citizens to make up your losses. You must cut waste in all areas of your spending such as the transit system that cannot be justified any longer. You cannot keep going after grants where it has to be matching funds on projects that can be put off for a better time. You must collect all of the debts owed to the City. You must stop buying personal tools for the Maintenance Shop. Members of the Budget Committee, you cannot expect the citizens to accept the raises of taxes and the cost of services such as water, water treatment plant or anything else if you cannot make every effort to cut the waste from the government. If this City is to survive we must tighten our belts now because the citizens are running out of money to support an ever-growing and bloated government. He said he had two reasons the transit system should be done away with and had some disagreements on Lodgers' Tax for disbursement of that money. He said he had some information on PNM if they wanted to hear about it. The agreement with the State on the transit system was between the County, Ruidoso, and Ruidoso Downs. The County is no longer involved and we are trying to get into Mescalero to take their place. That's breaking the agreement with the State. We are trying to supply a free ride to poor people that can't afford their money. The free ride we are supplying, the Mescalero's wouldn't be all that eager to money into it if we weren't taking these poor people that can't afford to pay their own transportation to the casinos. They wouldn't even bother. He said the name should be changed if Lincoln County was not going to be involved. On Lodgers' Tax the reason the motorcycle club moved out of the valley is because of Hubbard. What they have done is funded every one of Hubbard's enterprises through Lodgers' Tax.

Mayor Armstrong said his time was up.

Wayne Williams said PNM was trying to build another unit in Farmington.

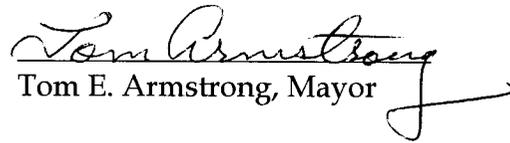
Pam Williams said transit was using Lodgers' Tax money too and we're saying it is for our guests when it's not. It's for our citizens to get to work. That's not a Lodgers' Tax deal and the agreement was between the three entities and one backed out. Now you're looking at do you split it between Ruidoso and Ruidoso Downs. Why would Mescalero want to add in to get their employees to work when they have their own bus?

ADJOURNMENT

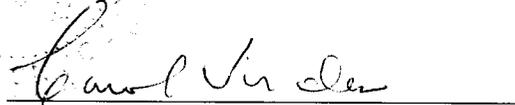
There being no further business, Mayor Armstrong entertained a motion for adjournment.

Councilor Williams moved to adjourn at 7:31 p.m. Seconded by Councilor Holman.

All were in favor and motion passed.


Tom E. Armstrong, Mayor

ATTEST:



Carol Virden, City Clerk/Treasurer