

City of Socorro Regular Scheduled City Council Meeting
City Hall, 111 School of Mines Road, Socorro, NM 87801
February 18, 2020

Mayor Ravi Bhasker called the meeting to order at 6:00 p.m. Stephanie Saavedra, City Clerk, took roll call. Members present at roll call were: Mayor Ravi Bhasker, Councilor Deborah Dean, Councilor Anton Salome, Councilor Mary Ann Chavez-Lopez, Councilor Peter Romero, Councilor Michael Olguin and Councilor Nick Fleming. Councilor Toby Jaramillo and Councilor Gordy Hicks were absent.

PLEDGE OF ALLEGIANCE

The Boomtown Build #7848 members helped Mayor Bhasker lead all present in the Pledge of Allegiance.

APPROVAL OF FEBRUARY 18, 2020 CITY COUNCIL MEETING AGENDA

Councilor Fleming made a motion to approve the agenda as presented. Seconded by Councilor Dean, motion passed unanimously.

CONSIDERATION OF MINUTES

a. February 3, 2020

Councilor Romero made a motion to approve the minutes as presented. Seconded by Councilor Chavez-Lopez, motion passed unanimously.

PUBLIC FORUM

Mr. Hunter, teacher and coach for the Boomtown Build #7848 group, attended the meeting with some of the San Antonio Spurs First Lego League students. The students, Leon, James, Shalice and Brody, introduced themselves to the Mayor and Council. Mr. Hunter stated that the team recently attended the State Championship (where they won an award for programming) and were invited to attend the World Festival in April in Houston, Texas. Mr. Hunter stated that the team is seeking sponsors and/or swag for their visit to the World Festival. Mayor Bhasker stated that the City can put the information on the City website. Mayor Bhasker stated that the City can sponsor \$250 and will provide some items for the team to take to Texas. Mr. Hunter and the students thanked the Mayor and City Council. Mayor Bhasker and the City Council congratulated the team on their success.

Councilor Hicks arrived.

DISCUSSION AND DELIBERATION

a. Resolution No. 20-02-18 – 2020-2021 MAP Resolution

Mayor Bhasker presented Resolution No. 20-02-18 which, if approved, will allow the City to submit an application to the NM Department of Transportation requesting MAP funds for the planning, design, construction, pavement rehabilitation/improvements, reconstruction, drainage improvements, curb & gutter, bicycle lanes, sidewalk, construction management and miscellaneous of Bullock Avenue from California Street to Lopezville Road. Mayor Bhasker stated that the end of the legislative session is near and the City hopes to procure enough funds to get the Bullock Street project started.

Councilor Hicks made a motion to approve Resolution No. 20-02-18. Seconded by Councilor Romero, motion passed unanimously.

b. Request for a Street & Alley Abandonment/Vacation – Veronica Chavez

Donald Monette, City Administrator, stated that Veronica Chavez has made a request to the City to vacate an alley (located on her property) and a portion of Main Street (next to her property located at 212 S. 2nd Street). Ms. Chavez stated that the alley divides her property and Main Street is not utilized and covered with brush. Ms. Chavez stated that her septic tank is located under Main

City of Socorro Regular Scheduled City Council Meeting
City Hall, 111 School of Mines Road, Socorro, NM 87801
February 18, 2020

Street. Ms. Chavez stated that she planned to get a survey completed by Dennis Engineering but they suggested she speak to City officials first. Mayor Bhasker stated that this type of issue continues to come up around Socorro. Mayor Bhasker stated that the Administration feels people should have the benefit of having access to their property. Mayor Bhasker stated that this particular piece of property will never be a subdivision and her request doesn't hinder other people from accessing their property. Mayor Bhasker stated that Main Street may have to be split in half with the owner of the property on the other side receiving the other half (Block 2). Mayor Bhasker stated that he feels the City Council should proceed with Ms. Chavez's request but figure out how to split Main Street. Mr. Monette stated that the zoning code states that the property has to be shared equally between the two landowners. Councilor Hicks stated that he feels the alley can be given up but the question of Main Street will have to be answered. Ms. Chavez stated that she intends to fix up the property and sell it. Mr. Monette stated that Ms. Chavez is seeking from the City Council the confidence to get a survey in order to find out who owns Block 2 and for other additional information. Ms. Chavez agreed with Mr. Monette's statement. Mayor Bhasker stated that the City Council will have to decide how to handle the request.

Councilor Salome stated that the property may not be developed now but it could be developed later. Councilor Salome stated that he personally cannot say whether it will ever be developed. Councilor Salome stated that state statute says it must be determined whether or not there will be future use of the property. Councilor Salome asked what is in it for the taxpaying citizens of Socorro. Councilor Salome asked if this will create jobs or bring in more gross receipts tax revenues. Councilor Salome stated that there must be a benefit to the City in order to vacate the property. Councilor Olguin stated that earlier, Ms. Chavez stated she would purchase the property to which Ms. Chavez replied she would consider purchasing the property. Councilor Salome stated that he is "all for" Ms. Chavez purchasing the property.

Mayor Bhasker stated that Ms. Chavez will be fixing up the property therefore increasing its property taxes. Mayor Bhasker stated that the City will never use the property and Main Street will never be extended. Mayor Bhasker stated that he would not hold someone back who wants to improve a property. Mayor Bhasker stated that the City Council can choose to put a price on it. Mayor Bhasker stated that the property could also be contaminated due to the septic system and in that case, he would not want the City to own and be responsible for the property. Mayor Bhasker asked if Councilor Salome meant his statements towards the alley also to which Councilor Salome stated any property owned by the City. Mayor Bhasker asked Councilor Salome if he was committing the City to maintain the street to which Councilor Salome replied that that is a part of the formal determination. Councilor Salome stated that if the City knew how much it would cost to cleanup and maintain, that information could be used to make a legitimate, logical, objective decision. Councilor Salome stated that the City should not circumvent the statute in saying that there needs to be a formal determination and that the things Mayor Bhasker mentioned earlier (the City never using the road in the future) should be part of the determination. Councilor Salome stated that he needs a formal determination in order to make a decision.

Mayor Bhasker suggested the City Council postpone the matter until the City Administration could put together a description of what is out there, the positives and the negatives for the City and present it at the next meeting. Councilor Olguin stated that if the property is appraised and it is only worth \$500, the City wouldn't vacate or abandon it, rather, Ms. Chavez would buy it for \$500 and then she will own it out right and the City benefits \$500. Councilor Monette stated that that brings up the question whether the City would sell the entire street or still split it down the middle. Mayor

City of Socorro Regular Scheduled City Council Meeting
City Hall, 111 School of Mines Road, Socorro, NM 87801
February 18, 2020

Bhasker stated that it would have to be down the middle because we wouldn't know if someone would make an offer for the other side.

Kristy Padilla, Administrative Assistant, stated that Lloyd Martinez, Division Director, did not feel the alley is a City alley as there are no utilities in the alley. Some discussion followed. Mayor Bhasker suggested the City Council visit the property to see exactly what is in question. Councilor Salome stated that he feels this should be a consistent process. Mayor Bhasker stated that years ago, these plats were made but never developed and these kinds of properties just hinder people who are now trying to develop something. Ms. Chavez asked who will do the appraisal and Mayor Bhasker replied that she would have to take care of the appraisal.

c. Gross Receipts Tax for Economic Development for the Municipal Electric Utility

Mayor Bhasker stated that there was a 1.25% increase in gross receipts tax from 1979 to 1988. Mayor Bhasker stated that since he has been Mayor, the gross receipts tax has only been raised three times (by 0.1875% total). Mayor Bhasker stated that Socorro County just recently increased their gross receipts tax. Mayor Bhasker stated that he will be asking the City Council to look at increasing the City's gross receipts tax by .25 which will generate \$300,000 per year. Mayor Bhasker stated that the increments used to be separated by categories but the gross receipts tax is now combined into one category and it is up to the municipality to designate the funds. Ruby Lopez, Finance Officer, stated that the City has .6125 left to raise the GRT that would provide approx. \$800,000 in revenue to the City.

Mayor Bhasker stated that by approving a .23 increase, the City will be able to get a low interest loan to start the engineering and feasibility study for the electric utility rather than contracting with Guzman Energy at 8%. Mayor Bhasker stated that the raise would be in the name of economic development. Mayor Bhasker stated that lower costs for electricity may attract new businesses. Mayor Bhasker stated the raise would be implemented January 2021. Mayor Bhasker stated that this would be a way to start an economic development fund. Mayor Bhasker stated that there is currently a court action between the City of Socorro and the Socorro Electric Cooperative and the City will not move forward with creating a municipal electric utility until a decision has been made by the courts. Mayor Bhasker stated that to move forward on a loan for the municipal electric utility, the NM Finance Authority wants a guaranteed revenue stream.

Councilor Hicks started to make a motion, however, Wanda Moeller from the El Defensor Chieftain called a point of order and stated that the item was on the agenda for discussion only. Mayor Bhasker confirmed that the item is on the agenda for discussion only.

Mayor Bhasker stated that the increase would be a way to fund the municipal electric utility and move forward with a new era of marketing the City. Mayor Bhasker stated that since the City owns the natural gas system, Dicaperl and the City were able to negotiate a lower gas price for them as they use the system all year long. Mayor Bhasker stated that prior to natural gas, Dicaperl utilized used oil to heat the perlite. Mayor Bhasker stated that he would like to be able to offer an economic development rate at the Industrial Park. Councilor Salome asked if the feasibility study will show information about providing electricity to residents outside of the City. Mayor Bhasker stated that the \$300,000 this increase generates will pay off the \$500,000 loan (over two years) that the City would borrow from the NMFA. Mayor Bhasker stated the \$500,000 would have to be doubled in order to analyze the entire City. Mayor Bhasker stated that this loan is to cover the Industrial Corridor. Mayor Bhasker stated that this is a way to control the City's own destiny and decrease the

City of Socorro Regular Scheduled City Council Meeting
City Hall, 111 School of Mines Road, Socorro, NM 87801
February 18, 2020

interest rate down to 1.7% rather than Guzman's 8%. Mayor Bhasker stated that after the revenues are mixed with the gross receipts, the City can sunset the increase or use the revenue for other economic development projects.

Councilor Olguin questioned that since the City no longer has to "tag" the gross receipts tax, is there any use for LEDA (approved by the City by ordinance)? Mayor Bhasker stated that LEDA would be an adjunct. Councilor Olguin stated LEDA can be used for the convention building, infrastructure, recruiting businesses, increasing wages, job creation, significant impact on investments, environmentally sustainable outcomes, etc. Mayor Bhasker stated that LEDA becomes viable when you already have a business come to town and apply for those funds. Mayor Bhasker stated that the gross receipts revenues allow the City to dictate its own future rather than having to depend on state money and grants. Councilor Olguin stated the City would have its own LEDA fund. Mayor Bhasker stated yes, it would be like the City having its own LEDA fund. Councilor Olguin asked if "the \$300,000 is forecasted for how many years and based on how gross receipts has been performing over the last 3-5 years compared to how we are projecting them to be in five years". Mayor Bhasker stated that the City gained \$83,000 last month so \$300,000 a year is like \$25,000 extra every month. Mayor Bhasker stated the number of years depends on if the City continues to use the funds for projects or if the City sunsets the increase after it is done with the municipal electric utility and is making revenues. Councilor Olguin asked how many years the municipal electric utility would be using the gross receipts tax to which Mayor Bhasker replied that it would only be using the GRT for two years. Councilor Olguin asked what happened to Guzman fronting the money for all of these things to which Mayor Bhasker replied that they were going to charge 8% so the City started looking at different options. Some discussion followed. Councilor Olguin asked if the City Council would have all of the information from the feasibility study before voting on the GRT increase. Mayor Bhasker replied no. Councilor Olguin stated that if the feasibility study comes back that the project is not feasible, the City will then have an extra \$300,000 per year to be used on other economic development projects. Mayor Bhasker stated yes, after the initial loan is payed off. Councilor Olguin stated it is like a \$500,000 gamble. Mayor Bhasker stated it is like a gamble but in his opinion, the municipal electric utility will be successful. Councilor Olguin asked if the City knows how much the increase will cost a household for a year. Mayor Bhasker stated that he does not like raising taxes and he understands it will increase the cost of living. Councilor Olguin stated that he is 100% for raising taxes if it goes towards economic development. Some discussion followed.

COMMITTEE REPORTS

Councilor Salome stated that he, along with representatives from the Socorro, Veguita and Magdalena senior centers, went to Santa Fe on February 14th and met with Representative Armstrong and Senator Ramos. Councilor Salome stated that they thanked Representative Armstrong and Senator Ramos who both stated senior centers are a priority for them. Councilor Salome stated that the Socorro senior center will be receiving \$100,000 to remodel the kitchen.

DEPARTMENT DIRECTOR REPORTS

None.

NEW BUSINESS

Councilor Olguin stated there is a resident on Duggins Lane who keeps having sewer backups and the issue has not been resolved by City crews. Councilor Olguin stated that the crews clear the line and then it backups up again. Mayor Bhasker stated that he would discuss the matter with City staff.

City of Socorro Regular Scheduled City Council Meeting
City Hall, 111 School of Mines Road, Socorro, NM 87801
February 18, 2020

Councilor Hicks stated that Ron Gilworth, along with a group of other people, have been cleaning at the cemetery and it looks very nice. Councilor Hicks stated that he had a good meeting with the workforce development board.

Councilor Chavez-Lopez stated that there will soon be a new veteran's program in Socorro to assist disabled veterans with things such as replacing windows and installing grab bars. Councilor Chavez-Lopez stated that applications can be picked up at the El Camino Real Housing Authority.

Councilor Hicks stated that he provided Mayor Bhasker with a list of items that the NM Municipal League is supporting at the legislature.

OLD BUSINESS

Councilor Romero stated that he told Ms. Ortiz on Lopezville Road to make an appointment with the City Administration to discuss traffic issues. Mayor Bhasker stated that he would prefer it if City Councilors who get a complaint come to the City Administration with the complainant.

Councilor Hicks asked if the ceiling tiles in the Council Chambers could be replaced. Mr. Monette stated that the Administration will budget the funds needed to move forward with the mold abatement recommendations.

EXECUTIVE SESSION

None.

MAYOR'S REPORT

a. Personnel Changes

Councilor Romero motioned to approve the personnel changes as read by Mayor Bhasker:

Michael Padilla – 2-1-20 – Fire – EMT-B Certification – A-33 to A-35

Temporary New Hires: Alfredo Alvarado, Ryan Lopez, Melaine Gutierrez

Temporary Renewals: Paul Foulfont, David Chavez, Deekota Chavez, Taylor Saavedra, Enrique Robles, John Armijo, Steven Chavez, Jilberto Chavez, Sheree Torres, Casandra Trujillo, Scott Crespín, Leo Petersen

Student Workers: Matthew Guzman, Autumn Martinez, Brandon Esquivel, Carlos Gonzales
Referees (2)

Seconded by Councilor Salome, motion passed unanimously.

b. Business Registrations

Councilor Hicks motioned to approve the business registrations as read by Mayor Bhasker:

Desert Diamond NM LLC - C-2 - 602 Highway 85 - Elias Jacquez - Restaurant

K's Pet Store and Grooming - C-2 - 334 6th Street - Kenya Olguin - Grooming and Sale of Pets

YESCO LLC - Out of Town - Albuquerque, NM – Corporation - Specialty Signage

Solcius LLC - Out of Town - Provo, UT - Bryan Jackson - Installation of Solar Panels on Residential Homes

Red Wagon Coffee Co. LLC - Out of Town – Transient Vendor - Lemitar, NM - Ina Crawford & Debora McVey - Coffee Wagon

