

**Regular Meeting  
Town of Ignacio Board of Trustees  
Monday, August 21, 2017**

- I. **CALL REGULAR MEETING TO ORDER: PLEDGE OF ALLEGIANCE AND ROLL CALL:** Mayor Stella Cox called the regular meeting to order at 6:30 p.m. **Trustees Present:** Mayor Protem Alison deKay, Thomas Atencio, Edward Box, III and Sandra Maez. **Staff:** Mark Garcia, Interim Town Manager; Diana Briar, Town Treasurer; Dan Naiman, Community Development Administrator; Kirk Phillips, Chief of Police and Jeremy Schulz, Public Works Director. **Audience:** Andrea Taylor, President of Chamber of Commerce.
  
- II. **PUBLIC COMMENT:**
  
- III. **CONSENT AGENDA:**
  - A. **Regular Town Board Meeting Minutes of July 17, 2017**
  - B. **Financial Records – Check Register for July, 2017.** Trustee Atencio moved to approve the Consent Agenda. Mayor Protem deKay seconded. The motion passed by unanimous voice vote.
  
- IV. **UNFINISHED BUSINESS:**
  - A. **Chamber of Commerce Special Events Permit:** The Board approved the Special Events Permit Event for September 1<sup>st</sup> and 2<sup>nd</sup> from 10 am to 10 pm behind Farmers Fresh Market at the July meeting. Chief Phillips’ concerns regarding the Special Event Permit were answered. Andrea Taylor was present to answer any questions.
  
  - B. **Tree Trimming Proposal Approval:** During the work session held Thursday, August 17, proposals for tree trimming were presented. Two of the companies were similar in service and cost; the Town will work with both companies to provide this service. This is an unbudgeted expense; Mr. Garcia recommended a cap of \$5000 for this year. Discussion followed regarding offering fire wood to residents. **Mayor Protem deKay moved to approve the expenditure for tree trimming service, with a cap of \$5000. Trustee Maez seconded. The motion passed by unanimous voice vote.**
  
  - C. **Board Meeting Time and Day Discussion:** After a brief discussion, it was the consensus of the Board to keep the meeting time at 6:30 on the third Monday of the month.
  
- V. **NEW BUSINESS:**
  - A. **Sewer Issue (as requested by Trustee Atencio).** Trustee Atencio would like forward movement on what the Board plans on doing regarding the sewer issue, rate increases from the Tribe, discussion on the Town building their own system or leave things as is. He would like the Town to stop raising the sewer rates to the community annually with the Tribes’ increase. The Town received a letter from Mr. Duane Dale from USDA, that holds the Sewer Bond Note for the Town, stating they’ve “reviewed the Town’s 2016 Audit and that it appears that the Town was unable to generate revenue sufficiently enough to cover operating expenses and again in 2017, the proposed budget for 2017 shows the sewer

fund again will have expenses exceed revenues. As part of the Letter of Conditions issued December 3, 2014, the Town must maintain a rate schedule that provides adequate income to meet the minimum requirements for operations and maintenance, debt service and reserves." USDA is requesting a written response by September 11, 2017, "outlining why the system is not self sustaining and what type of plan the Town will implement to make sure that the sewer system is self sustaining." Ms. Briar contacted Mr. Dale and stated the Town is working on a rate analysis, and is working with the Tribe on their rate increases.

With the departure of Raymond Baker, the Executive Director of the Growth Fund, this will delay further movement with the Tribe on the rate analysis. Mr. Garcia stated the draft scope of work they received from the Tribe is more geared toward the agreement without getting into rate analysis and hopes the mediator may state the Tribe needs to do a rate analysis to see if rates are equitable and proportionate costs to the Town and Tribal members. He's still pushing to have them do the rate analysis, but they keep pushing back saying the rates are consistent with the agreement. On the letter from USDA, Mr. Garcia's thoughts are to use gas fund dollars to pay off the USDA sewer debt. The Town pays \$20,621 annually towards that debt with a maturity date of 2038, with an outstanding balance of \$300,328. This would bring the gas fund down to \$260,000, Ms. Briar expressed concern that this would leave the Town with very little reserves, since there is very little in the water and irrigation funds, and none in the sewer funds. Mr. Garcia said with the gas project nearing completion, there should not be any other major expenses to the gas fund for several years. Mr. Garcia suggested looking at the irrigation and water loans too, possibly refinancing. An RFP for a rate analysis is out there to estimate rates. Other Board members expressed their agreement or concerns with the pay off suggestion. How would paying off the loan look to the Tribe when we're in the middle of negotiations with them. Mr. Garcia stated he will contact USDA and prepare a letter for the Board to review responding to their concerns. Continued talks with the Tribe was also on Mr. Garcia's agenda.

## VI. STAFF REPORTS:

- A. **Police Chief:** Applied for and received a POST Grant for online training. Ignacio School District has a desire to hire a School Resource Officer; the School Board authorized Dr. Fuschetto to enter into discussion with the Town. The SRO would be an employee of the Town; Chief Phillips will meet with Dr. Fuschetto to work out details and prepare an MoU. The funding comes from the Gaming Grant. One burglary reported.
- B. **Finance Officer:** Received quarterly draws on the Gas, Capital Improvement and GIS grants in July.
- C. **Community Development Administrator:** Letters written to residents regarding the weeds and abandoned vehicles, with pretty good success. Busy with building permits. Mr. Naiman received a call from Johnny Valdez, who will start making payments to the Town for balance owed for the 2016 Rally costs. Mr. Naiman had lunch with the Executive Director of SW Center for Independence re: ADA compliance; she invited Mr. Naiman to sit on their Board; he is

willing to represent the Town. Mayor Cox had concerns with her neighbor digging; are permits required? Also there is sale of items from old Main Liquor Store.

**D. Public Works Director:** Gas service interrupted in July for 85 customers, (gas replacement project hit a gas main by the school). Anthony Sanchez was hired as full-time employee. Paving of Ignacio and Lampert Streets was completed. Kudos to Public Works Department received from Trustee Atencio and Trustee Box.

**E. Town Manager:**

- An Irrigation Grant is being prepared and applied for; may require \$10,000 in matching funds. The grant will be for a water model, potential system improvements and securing water rights in water court fees.
- Grant Work Updates: Utility Mapping Grant is nearing completion; DCI Grant meeting tomorrow with stakeholder group; Options to the Board in September for approval. Gaming Grant hearings coming up on the 18<sup>th</sup> of September.
- CML Outreach meeting September 26
- No meeting with Chairman Frost for the past two months
- Trustee Atencio recommends applying for grants for fiber optics

**F. Town Attorney:** Working on the Raw Water Rights issue; asked for a rate analysis from the Tribe.

**VII. TRUSTEE REPORT:** Revisit paying off the Sewer Debt at budget time was suggested by Mayor Cox. Trustee Box stated he attended the SUCAP meeting. He's been working with Tuggy on the CML Outreach meeting.

**VIII. MISCELLANEOUS:**

**IX. ADJOURNMENT:** Being no further business before the Board, Mayor Cox adjourned the meeting at 8:00 p.m. The next regular meeting will be September 18, 2017, at 6:30 p.m. in the Abel F. Atencio Community Center at 570 Goddard Avenue.

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**Stella Cox, Mayor**

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**Date**

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**Attest: Georgann Valdez, Town Clerk**