



BENNY L. JASSO, MAYOR

AARON SERA, ADMINISTRATOR

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CITY COUNCIL MEETING
February 8, 2016
6:00 P.M.
AGENDA

Call to Order/Pledge of Allegiance

1. Consent Agenda
 - A. Minutes – City Council Regular Meeting 01/11/16
 - B. Minutes – Parks Commission Meeting 01/12/16
 - C. Minutes – Planning & Zoning Commission Meeting 01/19/16 (*Meeting Cancelled*)
 - D. Minutes – Tourism Development Committee Meeting 01/28/16
 - E. Out-of-State Travel Request for Van Dilullo to travel to Englewood, Colorado to attend the Construction Exam Center Classes on February 15-20, 2016.
2. Public Forum
3. Acceptance of the June 30, 2015 Annual Financial Audit
4. Resolution Approving Application and any Subsequent Agreement Between the City of Deming and the New Mexico Department of Transportation to Provide Municipal Arterial Program (Map) Funds for Pear Street Reconstruction and Rehabilitation
5. Approval of an Memorandum of Understanding for the Working Together Throughout the Promise Zone Term
6. Administrator's Report
7. Closed Session to Discuss the Purchase, Acquisition or Disposal of Real Property Located at 600 E. 4th Street, 1001 S. Diamond Avenue, and water rights Pursuant to NMSA 1978 Section 10-15-1 (H)(8) of the Open Meetings Act
8. Adjourn Meeting

The next regular City Council Meeting is scheduled for March 14, 2016 at 6:00 p.m.

CITY COUNCIL MEETING MINUTES February 8, 2016

Council Present: Benny L. Jasso, Mayor
Dr. Victor Cruz, Councilor
David L. Sanchez, Councilor

Joe "Butter" Milo, Mayor Pro Tem
Roxana Rincon, Councilor

Council/Staff Absent: None

Staff Present: Aaron Sera, City Administrator
Jim Massengill, Public Works Director
Raul Mercado, Fire Chief
Jim Foy, City Attorney

Bryan Reedy, Community Svcs. Dir.
Brandon Gigante, Police Chief
Mary Corral, Receptionist

Recording Secretary: Lila Jasso, Asst. Deputy Clerk/Admin. Secretary

Mayor Jasso called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

1. Consent Agenda

Mr. Sera called attention to Item B. Minutes—Parks Commission Meeting 01/12/16. He called attention to the recommendation for cemetery section name suggestions and fees at Hooten Park. Mr. Sera noted that the three name recommendations for the new sections at the cemetery are Sky View, Mountain View and Heaven's Corner for the baby section. He stated that a recommendation was made for non-profit fees at Hooten Park. He noted that staff recommends charging \$200 for the first field and \$50 for each additional field.

Mr. Sera next called attention to Item D. Minutes—Tourism Development Committee Meeting 01/28/16. He noted that although there was not a quorum at the last meeting, staff is recommending that the media plan be approved by Council in order to move forward with the project.

Mayor Jasso asked if there were any questions from Council.

Mayor Pro Tem Milo asked if the Tourism Development Committee was happy with the media plan. He stated that his understanding is that they were doing away with the use of billboards as a form of advertisement, and going to radio and TV. Mr. Sera stated that the committee seems to be happy with the plan, thus far. Mr. Sera noted that there are concerns, but overall they have agreed that this is a good advertising campaign. Mayor Pro-Tem Milo stated that if the committee decides that they want to use the billboards, they may not be available. Mr. Sera concurred and stated that after looking at the statistics, the billboards were not the most cost effective way to advertise and get tourist to stay in Deming.

Councilor Sanchez moved to approve the Consent Agenda as presented. Mayor Pro Tem Milo seconded the motion; motion carried unanimously.

2. Public Forum

Mayor Jasso opened the floor to the public to receive any comments. The following person commented:

Christie Ann Harvey, PO Box 1829, representing Deming Luna County MainStreet

3. Acceptance of the June 30, 2015 Annual Financial Audit

Ms. Holguin presented the final audit report that has been approved by the state. She referred to page 10, the Option section of the Independent Auditor's Report in which they have audited, reviewed, and tested the financial statement. She explained that there are three different opinions they can give; modified, unmodified and adverse. Ms. Holguin stated that the opinion the City of Deming received is an unmodified, which signifies that the City is in accordance with all the requirements, the audit was clean, there was not material weakness, and that everything was presented fairly.

Next, Ms. Holguin referred to page 126, the Auditor's Report on Internal Control over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. She noted that they do not give an opinion on this, but they do look at the internal controls that are in place. She went on to say that they did not identify any deficiencies in our internal controls that might be of material or significant weakness.

Ms. Holguin then referred to page 130, Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance Required by OMB Circular A-133. She explained that the City received an unmodified opinion for this section in which the auditor's tested the major federal program grants by choosing a major and minor fund. She explained that they conducted extensive testing and fully reviewed the records for the chosen grant files.

Ms. Holguin referred to page 135, Findings of the Financial Statement Audit, which is based off of the testing that has been conducted and what the auditor's may see as a deficiency that needs to be corrected. Ms. Holguin explained the levels of findings which are a material weakness, significant deficiency, material noncompliance, other noncompliance, and findings that do not rise to the level of significant deficiency. She noted that the City received two findings this year, which were repeated findings from previous years.

The first finding she addressed was Cash appropriations in Excess of Available Cash Balances-Other noncompliance (Repeated/Modified). She explained the City rebudgeted "cash balances" in excess of available cash balances in the Community Center Special Revenue Fund. Ms. Holguin read Management's Response which states that management is already changing the current format for budget adjustment. A new format will be implemented in FY2016 to be used by the Finance Department (Finance Director/Treasurer

and Accountant) when budgets are adjusted during the fiscal year. The new format will take into account all areas of the funds budget to ensure that the City does not rebudget cash balances in excess of available cash balances. Mr. Sera clarified that this finding pertains only to the cash balance in that specific fund, not the entire budget.

Ms. Holguin referenced page 136 for the second finding; Internal Controls over Utility Receivables-Find that does not rise to a level of Significant Deficiency. She noted that there was an error in getting the information for accounts receivables within the Utility department. She went on to say that the report was printed, but it was not processed in the manner to obtain the data needed for the auditors, based on each separate fund within the Utility department.

Ms. Holguin read the Manager's Response which states that the Utility Office Manager will update the written billing procedures to include the printing (electronic format) of the aging report at the end of each month. The report is currently being processed routinely after each billing cycle has been posted to the subsidiary ledger. The Finance Department (Finance Director/Treasurer, Accountant, and Utility Office Manager) will verify that at the end of each fiscal year the accounts receivable report for every utility service fund is processed. The procedures for year-end reports will be reviewed and updated to ensure that all reports are processed timely and accurately.

Mayor Pro-Tem Milo asked if the billing records are sent out of house. Ms. Holguin stated that all the records are kept internally.

Councilor Cruz asked how often the cash accounts are reviewed. Ms. Holguin stated that they are reviewed daily by the Finance Department.

With no further discussion, Mayor Jasso entertained a motion from Council.

Councilor Cruz moved to approve the City of Deming Annual Financial Report. Mayor Pro-Tem Milo seconded the motion; motion carried unanimously.

4. Resolution Approving Application and any Subsequent Agreement Between the City of Deming and the New Mexico Department of Transportation to Provide Municipal Arterial Program (MAP) Funds for Pear Street Reconstruction and Rehabilitation

Mr. Reedy stated that the resolution being presented is necessary in order to apply for MAP funding as required by the New Mexico Department of Transportation. He stated that the City is planning on designing and looking at the MAP funding to be used on Pear Street in between Columbus Highway (HWY 11) down to Eighth Street. Mr. Reedy stated that the funding may not be enough funds to do the entire street, however, the City will do whatever they can to design the street and make sure drainage is done properly.

With no questions of staff by Council, Mayor Jasso entertained a motion from Council.

Councilor Cruz moved to approve the resolution approving the application and any subsequent agreement between the City of Deming and the New Mexico Department of Transportation to provide Municipal Arterial Program (MAP) Funds for Pear Street

reconstruction and rehabilitation. Councilor Rincon seconded the motion; motion carried unanimously.

5. Approval of an Memorandum of Understanding for the Working Together Throughout the Promise Zone Term

Mr. Reedy presented this item to Council. He started off by giving some history on the Promise Zone. He stated that the Promise Zone is a federal initiative to help communities that have high poverty levels to elevate educational standards, increase housing and infrastructure standards in order to help increase economic development in the region. He stated that the region has applied twice. The first year the region was a runner up and last year they were a finalist. Mr. Reedy stated that there are currently eight promise zones in the United States, and by 2016 they are hoping to have 20. He noted that this will probably be the last year they will do the Promise Zones. He stated that this year they are asking for an MOU between all the counties, cities, and police departments in the region because they all benefit from the Promise Zone. Mr. Reedy stated that the designation adds points to grant applications that are applied for.

Mayor Pro-Tem Milo asked what the benefit would be for being designated in a Promise Zone. Mr. Reedy gave an example of a Promise Zone in Kentucky, in which they received \$10 million more in grant funding than they asked for.

Councilor Sanchez asked if they being in a Promise Zone would allow for more federal funding or allow for extra funding. Mr. Reedy stated that if an entity is in a Promise Zone applies for funding, they may be eligible for extra funding just for being in a Promise Zone. He also stated that more importantly, they would get preference just for being in a Promise Zone.

With no further questions of staff from Council, Mayor Jasso entertained a motion from Council.

Councilor Cruz moved to approve the Memorandum of Understanding for a Working Together throughout the Promise Zone Term. Councilor Rincon seconded the motion; motion carried unanimously.

6. Administrator's Report

Mr. Sera addressed the following items in his report:

- He spoke of the recently passed ordinance regarding the utility deposits. He stated that the ordinance seems to be working as the number of disconnections have dropped substantially. He compared the numbers from a year ago to this month and stated that there are approximately 100 less accounts being disconnected. Mr. Sera referenced the actual numbers and stated that that in January of 2015, in the first billing cycle, there were 139 disconnections and 146 disconnections in the second cycle. This year, there were 41 disconnections in the first cycle and 31 disconnections in the second

cycle. He commended the staff on coming up with the change to ordinance. A brief discussion was entertained between staff and Council regarding winterizing programs in the area.

- Next, he mentioned that the Economic Development has been working with Billy the Kid Produce on a \$2 million expansion. He stated that the Economic Development Coordinator assisted them in applying for a USDA grant to assist them with this project, and it was awarded. He stated that the grant was for approximately \$15,000. He also mentioned that Economic Development continues to work with the chile harvester. Mr. Sera stated that they are working together with NMSU to test the harvester. He stated that their main concern is that they are worried about the machine tearing up the chile plants. Mr. Sera mentioned that they are going to collaborate with NMSU and the manufacturer to test the machine.
- Budget review was done with the Accounting department. He noted that a 6-month review done and everything is looking good, so far.
- The election is ongoing with absentee voting taking place and early voting will start on February 10th.
- In January, administrator and department heads attended the Legislative Session with the Silver Spikes group. He stated that the budget is tight and funding will be sparse. He went on to note some proposed house bills regarding the rehiring of law enforcement officers, the repeal of the food gross receipts deduction, the increase of the gasoline and special fuel excise tax by 10 cents, and the local gas tax option to tax gasoline by imposing a 2 cent gas tax. He also mentioned the house bill regarding the hold harmless distribution which will affect the County.
- He discussed the evidence system, processes, and procedures with Chief Gigante, Captain Orosco and Detective Lara to try to come up with a more mainstreamed process to dispose of the old evidence.

A brief discussion regarding the sporadic amounts of the City's gross receipts tax was entertained between staff and Council.

7. Closed Session to Discuss the Purchase, Acquisition or Disposal of Real Property Located at 600 E. 4th Street, 1001 S. Diamond Avenue, and water rights Pursuant to NMSA 1978 Section 10-15-1 (H)(8) of the Open Meetings Act

Mayor Jasso entertained a motion from Council to go into closed session.

Mayor Pro-Tem Milo moved to go into closed session. Councilor Cruz seconded the motion; motion carried by the following roll call vote:

ROLL CALL VOTE

Councilor Sanchez	Aye
Councilor Rincon	Aye
Councilor Cruz	Aye
Mayor-Pro Tem Milo	Aye

Mayor Jasso entertained a motion from Council to go back into open session.

Councilor Sanchez moved to go back into open session. Mayor Pro-Tem Milo seconded the motion; motion carried by the following roll call vote:

ROLL CALL VOTE

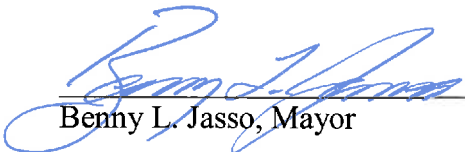
Mayor Pro-Tem Milo	Aye
Councilor Cruz	Aye
Councilor Sanchez	Aye
Councilor Rincon	Aye

Mayor Jasso stated for the record that only the items mentioned in the motion to go into closed session were discussed and that no items were moved upon during the closed session.

8. Adjourn Meeting

With no further business to discuss, Councilor Sanchez moved to adjourn the meeting. Mayor Pro-Tem Milo seconded the motion; motion carried unanimously. Meeting adjourned at 7:32 p.m.

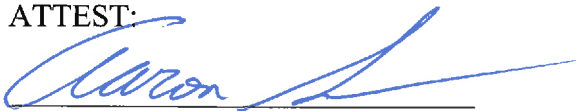
CITY OF DEMING, NEW MEXICO



 Benny L. Jasso, Mayor



ATTEST:



 Aaron Sera, Clerk

**CITY OF DEMING, NEW MEXICO
RESOLUTION NO. 16-09**

**A RESOLUTION APPROVING APPLICATION AND ANY SUBSEQUENT AGREEMENT
BETWEEN THE CITY OF DEMING AND THE NEW MEXICO DEPARTMENT OF
TRANSPORTATION TO PROVIDE MUNICIPAL ARTERIAL PROGRAM (MAP) FUNDS
FOR PEAR STREET RECONSTRUCTION AND REHABILITATION**

WHEREAS, the City of Deming is applying for Municipal Arterial Program (MAP) Funding from the New Mexico Department of Transportation for project development, design, construction, and construction services for Pear Street Reconstruction and Rehabilitation; and

WHEREAS, the project is within the City of Deming's jurisdiction, necessary for the public good and convenience, and to serve the public of the City of Deming; and

WHEREAS, the New Mexico Department of Transportation is soliciting proposals for its FY 2016/2017 Municipal Arterial Program that requires at least a 25% local funding match; and

WHEREAS, the New Mexico Department of Transportation requires approval of an agreement for the City to obtain MAP Funds for this project.

NOW THEREFORE, BE IT RESOLVED that the Governing Body of the City of Deming does hereby determine and resolve as follows:

1. That the project application for MAP funding be prepared and submitted for the project development, design, construction, and construction services for Pear Street Reconstruction and Rehabilitation from NM 497 (8th Street) to NM HWY 11 (Columbus Highway).
2. That the Mayor, City Administrator, Community Services Director, or his successor, is authorized to execute any subsequent agreement.
3. That staff is directed to take such other actions and execute other documents as may be necessary to implement this Resolution.


PASSED, ADOPTED, AND APPROVED THIS 8th day of February, 2016

CITY OF DEMING, NEW MEXICO

By: 
Benny L. Jasso, Mayor



ATTEST:


Aaron Sera, Clerk