

CITY COMMISSION MEETING MINUTES  
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO  
CITY COMMISSION CHAMBERS, 405 W. 3<sup>RD</sup> St.  
WEDNESDAY, JULY 23, 2025

**A. CALL TO ORDER:**

The meeting was called to order by Mayor Rolf Hechler at 4:00 p.m., who presided and Angela A. Torres, City Clerk-Treasurer, acted as Secretary of the meeting.

**B. INTRODUCTION:**

**1. ROLL CALL:**

Upon calling the roll, the following Commissioners were reported present.

Hon. Rolf Hechler, Mayor  
Hon. Amanda Forrister, Mayor Pro-Tem was absent  
Hon. Destiny Mitchell, Commissioner  
Hon. Merry Jo Fahl, Commissioner  
Hon. Ingo Hoepfner, Commissioner

MR. MAYOR, WE HAVE A QUORUM

Also Present: Gary Whitehead, City Manager  
Traci Alvarez, Assistant City Manager  
Jay Rubin, City Attorney  
Angela A. Torres, City Clerk-Treasurer  
Jocelyn Holguin, Finance Director  
Luis Tavizon, Chief of Police

There being a quorum present, the Commission proceeded with the business at hand.

**2. SILENT MEDITATION:**

Mayor Hechler called for fifteen seconds of silent meditation.

**3. PLEDGE OF ALLEGIANCE:**

Mayor Hechler called for Commissioner Fahl to lead the Pledge of Allegiance.

**4. APPROVAL OF AGENDA:**

**Commissioner Hoepfner moved to approve the agenda as submitted. Commissioner Fahl seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**5. COMMISSION COMMENTS:**

Mayor Hechler: If any of our Commissioners are interested, the Municipal League is having Level 1 and Level 2 Training August 5<sup>th</sup>, 6<sup>th</sup>, 7<sup>th</sup>, and 8<sup>th</sup>, I believe the dates are. The deadlines are going to be the 29<sup>th</sup>-31<sup>st</sup> for people who want to go, so for anybody who wants to go, I think you'll have to get with Angela or someone with the city and register. That's the only comment I have.

**6. STAFF COMMENTS:**

City Manager Whitehead: Just to add to the Municipal League, their conference is coming up in late September. If you come to our office and meet with Jo, she has the information. Angela will help us; we will work together on that for those that want to register to go to the Municipal League Conference.

**C. PRESENTATIONS:**

**1. Introduction of Ms. New Mexico, Sarah Ortiz to the City Commission.**

**Jocelyn Holguin, Finance Director:** Sarah Ortiz is currently Ms. New Mexico, I've known her since she was a wee little baby. She is running for Ms. America; they will be in Las Vegas in August. To help promote her, I thought it would be nice to introduce her to our Commission and the City of T or C.

Sarah Ortiz, Ms. New Mexico: Hello, I'm Sarah, currently your Ms. New Mexico 2025, and I just wanted to come introduce myself. I am currently visiting all the towns, and we technically only have one city in New Mexico. I currently live in Albuquerque, but I am from Grant County, Silver City born and raised. I just wanted to make an appearance in all the small rural towns because they are often forgotten about, and once I won, I knew that's exactly what I wanted to focus on, where the smaller towns because normally everybody's focus is either Albuquerque, Santa Fe, or Las Cruces. So, if there is anything I can do to assist you guys, any community service projects you would like me to get involved with, please let me know. I would love to have the opportunity to work with all of you guys.

Mayor Hechler: Thank you, Ms. Ortiz, and thank you for gracing us with your presence. We have a couple of things where people visit us from time to time, but you're one of the best so thank you so much for being here. How do you know Jocelyn?

Sarah Ortiz, Ms. New Mexico: She's one of my mom's best friends, I grew up with her.

Mayor Hechler: What's on your schedule next other than visiting cities?

Sarah Ortiz, Ms. New Mexico: I have Miss America next month so on the 19<sup>th</sup> I leave for Las Vegas to compete Ms. New Mexico for Ms. America. I just really appreciate everybody's warm wishes and positive thoughts; any prayers sent my way I would really appreciate that. I am competing for a fabulous face event. I will leave all the information with Jocelyn. It's in partnership with Victoria's Voice Foundation. What it is, is that each contestant from 50 states agrees to partner with Victoria's Voice Foundation, and that's for drug and substance abuse. The founder of Ms. America, their daughter, unfortunately perished in 2009 due to substance abuse, so now they started a foundation, and we have all agreed to go ahead and support them in raising money and awareness. Along with fabulous face, it's a partnership with Victoria's Voice, so all proceeds will go to Victoria's Voice Foundation. I can leave all the information with Jocelyn, and I would appreciate everyone's vote. The people who come in with the most votes automatically get top 15, and Nex Mexico has never been top 15 before so I would really appreciate that.

Mayor Hechler: How do we vote?

Jocelyn Holguin, Finance Director: I'll send out the information.

Mayor Hechler: Well now we have a reason to watch you on tv.

Sarah Ortiz, Ms. New Mexico: It's on August 25<sup>th</sup>, Monday night.

City Manager Whitehead: Perhaps you'd like to take a photo? It would be great to have it for our newspaper and our website.

Sarah Ortiz, Ms. New Mexico: Yes, and if there are any upcoming events that you guys would like me to participate in, I'll leave my contact information for you guys to reach out, don't be afraid to call me, anything I can do for the community.

## **2. Compensation Study Report. Valliant Consulting Group.**

Kim DeFilippis, Project Director and Stacie Jackson, Compensation Solutions Director, introduced the presentation. (Complete copy attached hereto and made a part hereof)

Mayor Hechler: As you move the green dots below the minimum and all of a sudden you have a higher concentration at that line do you then also compensate the people that have been there a little bit longer?

Stacie Jackson, Compensation Solutions Director: That's a great point, we will talk about that in just a moment. That issue that you're describing, Mayor, is called compression. It's where salaries don't adequately distinguish between who the more

experienced person is, and who is not, because we are all paid the same. So, the cost analysis I'm about to present shows information in 2 phases. First is, what does it cost to at least get everybody in the range, and then the next phase is exactly what you've described: How do we avoid compression by moving people all the way between those two solid lines?

**(See Slide 16 for a visual)**

Mayor Hechler: So how do you suggest that we implement a COLA (Cost of Living Adjustment). Where in the fall of this thing does this go? It doesn't go at the beginning because then you're going to increase your percentages, right, and all of a sudden you get bigger rates. Do you do the same year, do you wait another year? How should that be implemented?

Stacie Jackson, Compensation Solutions Director: That's a good question, I think it might be a little bit different when we think about what to do immediately versus what to do down the road. Doing a COLA sooner rather than later can help get a lot of these employees up. For instance, if somebody is just 2% below minimum, and you do a 2% COLA, then they're in the range. Then you don't have to make additional increases. For those who are 4% behind, then there's just that extra 2% to keep going. So, if you have in your budget cycle to do colas immediately, you have a plan, you have it budgeted, then doing it first doesn't hurt anything. You don't have a lot of employees at the top of your range, so doing a COLA isn't going to push people above maximum, instead it is going to get people closer to minimum, which is a good thing. If you were to do the increase to minimum, and *then* a COLA, that can help address this compression issue, because again, you're looking at if somebody is actually in the range, they need to have a 10% increase. If you can give them a 4% increase today, you're going to get them closer to where they should be within the range. Essentially, it's not going to hurt you if you choose to do a COLA in addition to this process. I would advise re-evaluating the costs, and we can certainly assist with that process, in re-running numbers, so that you know how much more movement would be needed for your staff. Let's say you do all of this tomorrow. You find some change in the couch and you're able to go ahead and make these increases, we will talk in a little bit about how you keep a market system aligned with market. In a year, maybe you decide to do a COLA again. This time, you do a 3% increase. When you make that increase, we recommend taking your structure, and moving it with the COLA. If you do a 3%, move the whole structure up 3%. What that does is ensure that you never lag too far behind. If market is moving, and you're at least making some cost of living shifts, you won't lag too far behind what the market movement has been.

Mayor Hechler: If you implement a COLA, then you change the trajectory of the compensation highway along with it?

Stacie Jackson, Compensation Solutions Director: Yeah, that's essentially it. Great question.

Mayor Hechler: Going back to the exempt and nonexempt employees noticed that the midpoint for non-exempt at level NE6, let's go to NE7 which is \$48,000, then the exempt's midpoint, so it's getting pretty close. At what point do we decide an employee should be exempt or non-exempt? Sometimes when you go to exempt from non-exempt, you lose money because you don't work overtime anymore. So, is that an internal decision we make with budgets, or how should we handle it?

Stacie Jackson, Compensation Solutions Director: That's a wonderful question. So, the exempt reference is making a reference to a federal law called the Fair Labor Standards Act. It has all sorts of rules in it, including a rule that says "Everyone, no matter who you are, deserves to get extra pay when they work extra hours. But employers can exempt employees from overtime when certain criteria are met." That criteria includes that you have to earn a certain amount of money, and you have to be doing certain kinds of things in your job. In the course of this study, we did look at each position to see if each job meets criteria in the FLSA, and if most employers classify those jobs as exempt or non-exempt. When we saw that, we put in our recommendation if each job should be put in the exempt structure. If you decide, "We really think this job should be non-exempt", that is the safer option. It ensures an employee gets full protection of the law, and there's nothing that says you can't make a job non-exempt, but there are a lot of rules that say when you can make it exempt. That was folded into this review, if you were to choose down the road, "Hey, we think this job should really move to a different exemption status." Then our advice would be to look at the rules and regulations to ensure you comply. If you meet it, then you can put it in an exempt range. As you noted, there is some overlap between the ranges, that's purposeful, because there might be a common market rate between 2 jobs, but 1 meets that exemption practice and criteria, so we put it in the exempt range.

Mayor Hechler: Thank you, that's exhausted my questions.

Mayor Hechler: Are you going to tell us how we're going to pay for it?

City Manager Whitehead: I can. Let's go back to the Cost Assessment slide. What we essentially have done, I put this memo out to kind of lay out the roadmap that we'd like to be on for the compensation study. Let me say to the group, we feel very confident that we could handle the non-exempt in this particular presentation, the \$109,000. I also think we ought to move the 1 exempt employee that's off the highway, whomever that is, I have not looked at that. Just last week, we did receive an email with each employee, but I have not yet taken the time to look and see what employee is getting. I don't know any more than they know about what employees are on this chart, we have not yet assessed that. I wanted to see what the general charges were. The \$109,000, we feel very confident that we can handle this. On the electric side of our house, we know that we have enough funds in that to help the electric crew get to this level. It shouldn't be a problem. Jocelyn and I also made a decision. We looked at moving \$125,000 this year from each of the enterprise funds, but when we did the budget in the interim, we only put \$100,000. We've kind of set another \$100,000 aside in the enterprise funds that we could move in. We adjusted a couple of other departments,

and then if you'll remember, when we budgeted this year, we figured every single operation, every single department, at full employment. So, the number we have approved on our interim budget is full-staff, full-budget, full-benefits, so we feel 100% confident that we could easily reach the \$110,000 here. If you go to the next slide, the Cost to Mitigate Compression side, so the other piece would be, "Can we address the \$134,000?" and the answer is yes. With those extra dollars that we have in those line items, what we would propose doing would be to look at if we can cut a job. There might be a few departments that we would say, "We're going to take that job out, we haven't filled it, we have a few openings, let's take that, roll that in." and we also have some savings. The city has been frugal, so we do have a few dollars, we have a little over \$1 million, I think, in Santa Fe, in some certificates. We could, together, create enough cash to accomplish the \$240,000. It would actually be about \$244,000 if we moved the one exempt employee up. So that will be our recommendation when we get to the action item. We are confident we can pay for it. We are confident we can take care of all the non-exempt employees, and we are confident we can handle the compression as it relates to this. What we'd like to do is spend the next month, because when I approved this study and said, "Let's go forward", I set 4 categories out that we would address: 1 would be to get to the right salaries, let's be the place that people want to work, let's make that happen. But when we do so, if we're going to pay you more, then each of those jobs, when they get an advancement, should come with an evaluation process. It's in our current policy, but we've not been doing it as well as we probably should, so we want to put back the evaluation process. I felt like we needed to look at some of the job descriptions, we discussed that in detail today. I'll use this as an example, if somebody goes and gets a CDL today, we all talk about them getting a raise. Well, I think if you're going to get a job that requires you to drive an apparatus that takes a CDL, that should be part of your job. We need to go in and clean some of those up so that we're putting them in the right job, it's clear, and we can make sure some of those things happen. We'd like to take the month of August to really take the time to evaluate these 4 items, make sure we get those done and then present them back to the commission in September. At the first meeting in September, we would give you a full detailed plan. Between now and then, we would meet with every individual employee, we would meet with every department head to show them what that salary would be, where they would be moving, provided that you guys accept the secondary part of the plan. Then, we would implement it on the 20<sup>th</sup> of September. That's the first day of the new payroll cycle, and then that would be the say that they would come up with that compensation. With that, I will stand for questions. We feel confident that we can achieve this goal.

Commissioner Fahl: I guess I'll ask these questions now, I don't know if it plays into what you're talking about. So, when we're talking about step increases, because that's step 1, step 2. I don't recall seeing in the personnel policy, and it's so long, 2 questions, so I have never seen that we have a policy to do cost of living increases on a regular basis, and we probably should do that. I don't know if we've ever done that, I didn't see it in there, and, when we have everybody under this step plan, from what I've seen and experienced and helped set up in other places, if for example I started today, then I'm a step 1, whatever position it is. In other places, if I'm in that position for a year, I

automatically go up a step. Like, for the first 3 years, I'm automatically stepping up, so as an employee, I feel confident that if I stay, I will make it to the higher steps. It also takes the pressure off my supervisor of them for a raise, because I know those policies are already set in place. I'm automatically going to do that. So, after the first 3 years, it's 4 years before you get another step. There's a timeline of how you progress, instead of at the whim of your supervisor or the manager, the commission, whomever it is that gets involved. That's pretty much all lined out, and I did see that we had that in the past, so I'm hoping that's something you guys have thought about, those step increases are pretty much policy, so the only changes would be a merit increase. Then you have that opportunity, if you did a spectacular job and you came up with a new plan, say you did something great, you could give merit increases, but how they progress to the highest level, it's all laid out. Then everybody, as we all have worked, well we don't want to go and ask for a raise, "Well I deserve a raise" and there's no policy on how you get one, it's just that you have to go ask for it. So having those steps lined out I think is a really good thing to have in those policies, I don't know if that's what you've proposed already but I don't think we've had that in place.

Stacie Jackson, Compensation Solutions Director: You've highlighted many advantages of a step system, being able to ensure that there's this confidence that my salary is going to grow. Of course, step systems are very common in government environments, but we see them diminishing. We don't see as many of them as we used to. Part of the reason for that is when you have a step system, it tends to become very rigid. You're locked into place and I can only start someone at step 1. That person can only wait for that increase until the anniversary date. I don't have the opportunity to respond flexibly to different situations. So, as a result, we see a lot of organizations end up trying to work a way around the steps, "Maybe we'll give you a 2-step increase, but did we give everybody a 2-step increase? No." and then it can create kind of a mess. Our advice, and the structure that we've developed is not a step structure. It's what we call an open system. With it, I can go back to the table itself, but with it, you would pay anywhere between that minimum and maximum.

**(See Slide 12 for a Visual)**

Stacie Jackson, Compensation Solutions Director: In this structure of exempt grade E1, if you wanted to start someone at \$54,600, you could do that. If you want to start them at \$54,601...

Commissioner Fahl: I mean, it's just based on your skills. When you initially start somebody, maybe their skill is here, it's not because I feel like it, here's your skills, but it's after that.

Stacie Jackson, Compensation Solutions Director: Right. So, what we do with this is to compliment the advantages you're describing, and to ensure that there's still this open opportunity to be flexible, in addition to providing these structures, we've provided a tool we call a salary placement calculator. It does just that, it looks and sees, for example, we've got a new hire, they bring x number of years of experience, we plug it into the

excel file, and it says "This person should start at \$54,601" it's a guide, you can of course deviate, but it gives that consistency.

Commissioner Fahl: I agree, starting them that the principal that's very important, that they're placed in the right spot. If you are acting in that position, you shouldn't start as a 1 or whatever, but it's after that, I think having it open, I don't think that's fair to the employees because they want to know if they do their job, and they get a good performance evaluation, that we're going to start doing again, then they should automatically get this 2% raise, or whatever it is going to be, because then that's something to look forward to instead of saying, "Well it's just however they feel like it and I'm not comfortable with however the supervisor feels like it, I'm going to give them a raise." I don't think that's a good idea at all.

City Manager Whitehead: I think in this interim period that we will try to work to assess that. We discussed that a little bit today with the consultants, and again they are going to give us, this is what you *should* do. It's really more of a cost-of-living increase on an annual basis. What we would think about, there's a couple of ways to do it, we could do no raises set in stone, and then on an annual basis, we would have to present to you in the budget, "We think we can afford a 3% cost-of-living raise" and then the whole chart would go up, and everybody in the chart would go up, we could do that all on an annual basis. The weakness of that is it's a big hit on the budget in July. Currently, the pay structure that has been put in place allows for a cost-of-living or a merit increase, so on everyone's anniversary, they're all getting an increase. Everyone in the city is currently getting an increase whether we do an evaluation or not. So, I would want to go back and look at exactly what we're doing. Right now, I'm kind of holding the line to say, "We ought to put in a 1.5% increase every year for everybody, and we do it on their anniversary of employment so that moves along our budget time, we aren't hitting the budget all at one time. But then annually, we would come to the commission and say, "We think we want you to add an additional 2% to that so that this year, the chart, the structure, everybody gets a 2% increase on their anniversary date." I think now that we know what the costs are, we need to spend some time thinking about how the structure works, and we need to go back and assess what will be the best process to create kind of a step within that. But we also don't want a system now where the department head comes in and goes, "So and so is on E1 and I think they're doing a great job and the chart says they should be making \$79 now, that's what we need to pay them." we can't be in that situation either, it's got to be, this is the structure of how do we move up the chart. We discussed that at length today, cost-of-living, how do we move the chart, and come up with a fair structure. I think we need a little more time to really say what the best avenue is. We would look at what we're currently doing, and those other opportunities.

Commissioner Fahl: Okay, I don't like it but you'll have to convince me, I just think that, yeah, looking at it annually, that's great for us, but for an employee, if I don't know, I've been here a year, and I'm looking forward to this raise, and then you don't feel like giving it to me. We've been doing it, but I think we need to do everything we can to let

them have the confidence that if they work hard, they will be compensated, and not just at the whim of our budget.

City Manager Whitehead: If I misspoke, I was saying my recommendation would be that we set in stone a 1.5% raise, every year on your anniversary, you will always get at least that much. And to get that, you have to have a good evaluation, you have to do continued education, and you have to perform your job. If all those things are in order, you're at least going to get a 1.5% increase. Secondly to that, the hybrid would say, if we can afford more this year, insurance went up or para's gone up, or there's a new cost, would we then be able to go in and say we think we should compensate the employees a little more, and then you would be able to make that decision budgetary. That's the base concept, but again, we've had 1 day to see that, so we need some more time to really look it over and evaluate the costs to do that. But I do agree with you, I want it to be, you are absolutely going to get something every year when you do well, if you do these things, I get that. I think that is the right decision, it may not be as much as it has been, but it's going to be something.

Commissioner Hoeppner: I was working here as a civil servant for 12 years, and I was under the time 5, and WG system, so we had the beautiful step system, I started at \$13.45 and when I left I was at \$21.80. That was something plus the compensation for cost-of-living. I think instead of saying 1.5%, when the government is moving up and down, who is president and who is not, I think when we go by the numbers, what is decided by the government, that is every government employee, of course never an extreme number, like 8% raise of cost-of-living, it was always between 2.40% and I think the highest I ever got was 3.6%, that was the absolute highest at one point. I think when we adjust it, we don't say 1.5%, of course, for calculations that is the easiest way to do it, but also, everybody can look up what congress says, the cost-of-living increase they said 1.8%, then everybody knows, I'm getting a 1.8% raise on my anniversary. When it comes back here with employees that are going above and beyond, I don't know how it is in civil, we were able to put in the budget for bonuses by the evaluation aspect, it was calculated who gets a bonus because your evaluation showed "Hey, he did so many hours of overtime", and "That is natural catastrophic event, I jumped in my car, I was there and helped," that is beyond what the city is asking for. I think at the end of the year, especially around Christmas, the people who get good evaluations, should get this encouragement, that we maybe calculate for a bonus structure, if that is even legal.

Commissioner Fahl: I don't think that's legal anymore, is it? I don't think you can give bonus.

City Manager Whitehead: There are some programs that would be consistent with pay that you could do some of that. We have talked a little bit about that.

Commissioner Hoeppner: That is pretty much my question, is it even legal on a city level, can we actually do that? I think it was always partially fairly given out, those bonuses. Some more than less.

Stacie Jackson, Compensation Solutions Director: Well I would certainly defer to your legal council on that, from my experience, it's often considered a gift of public money, so it's not allowable, but if allowable, if possible, that is a great avenue to consider, being able to provide a lump sum one time check that doesn't bring your base pay salary up, but still rewards an individual. Very common outside of government.

Commissioner Hoeppner: Exactly, but even in government, like say, I worked in government for years, but German laws are a little bit different. It's for the people. The capitalist society it isn't the case. It offers giving to the shareholders and not to the people who pay.

City Attorney Rubin: Since I am legal counsel, I would probably have to confer with Mr. Whitehead before I give an opinion on the bonuses or whatever, so I'd have to look at that.

Mayor Hechler: Manager Whitehead, what is our current base rate generally, ballpark?

City Manager Whitehead: Over the last 45 days, we're doing really well, I think we're at like 95% employment. I think Alona has 7 jobs, a couple just recently opened, but we've had a good summer, we have filled a lot of positions. But we struggle because there's still turnover. One of the things I wanted to point out was that currently our base, our bottom salary, is \$12.25 or \$12.50, and in the current structure, everybody's got a pay increase, but our payroll structure did not. Everyone's climbing but everyone is starting out really low, then that separation. That's were using the chart and staying in that, not only giving the employees a raise, but giving the chart a raise, is going to be a much-improved situation over the last study. But we've had a good summer, our temporary seasonal employees, that worked fairly well. We are fully employed there.

Stacie Jackson, Compensation Solutions Director: Well, all of this discussion I think feeds quite well into some of the last few slides we've got.

**(See Slide 18 for a visual)**

**D. CONSENT CALENDAR:**

**1. Purchase report of items between \$20,000 and \$60,000**

City Manager Whitehead: These items are items that we have to approve on an annual basis. We did not include a lot of the information. We did include the information on Bartoo Sand & Gravel which is for the emergency purchase, we opened that PO for \$59,999, we spent \$1,600 to remove the roof and stuff from the street, that will be fleshed out completely in our emergency management report that we will give to the commission at the end of August, but that purchase order is in there for that purpose. Then that will be closed out because there is no more cost or charges for that emergency. The rest of the line items, as you can see, were Pitney Bowes, which is an

annual, they're all items that we pay, we just need to open all the purchase orders to process for our annual payments. When Jocelyn had briefed me on this, I approved moving forward without the support documents, because the agenda packet would have been another 1,000 pages. However, when I looked through the documents, there were 4 items on here that were really of a specific nature, so I went and presented to you today with the support documents. Let me address 2 of them: the Wilson & Company for community development, on page 2 of that list, those are not new purchase orders, and somehow in our process, these were rollover purchase orders, so they were already approved, and if you look at the documents I gave you, you guys approved those two purchase orders last year. Those are open PO's for projects that are still ongoing, so those are not new items, we aren't purchasing anything new, there is no new contract, they were both done last year.

Jocelyn Holguin, Finance Director: This was printed from the Tyler system, so it didn't filter out the days, it just filtered out the dollar threshold. So that's from July 1 to current. That's why those July rollovers are in there.

City Manager Whitehead: The other 2 that were, again, specific purchases in this time period that I approved, 1 was for the Fire Department, they purchased a thermal imaging, so I've included all the documents that came off a federal contract, federal state, those are fire funds, all processed and approved properly. Then we have a police car coming and we needed to pay for the upfit on that police car, I think that's through the Grow Grant. Then, you have the support documents. So, I wanted to make sure I had those in there properly for you, which we might have caught that before the packet went out, but otherwise, every other item on here is a regular annual contract we need an open PO for, to process normal bills.

Mayor Hechler: I just want to make 1 point for clarification, Manager Whitehead, is that the emergency order you presented was for \$59,999. That's not the bill.

Manager Whitehead: That is not the bill.

Mayor Hechler: I don't want people to take a cursory look at that and think that's what we paid for the emergency. We only paid \$1,600 for the emergency, correct?

Manager Whitehead: That's it, plus internal costs. We will have, overtime, you know, the electric department had to put up some crossarms, some wire, we are getting all those costs. So, we had some internal costs that were part of it, but externally, for what we needed to deal with the emergency, it was \$1,600 to the local contractor.

Jocelyn Holguin, Finance Director: Initially, for the declaration of disaster in New Mexico, Sierra County is \$57,000 so I opened it for \$59,000 because I wasn't sure at the moment. I knew we would adjust to it. It was either going to go up or down. But I just wanted the threshold in there in case we had to do a declaration to get reimbursements or to help the citizens with their insurance claims. So that's the typical route I take when declaring an emergency like that.

Commissioner Fahl: Thank you for that clarification, it was a little misleading when you looked at the bill and looked at that amount.

City Manager Whitehead: We will go back over it in that report, but that's why you'd say we're declaring an emergency, we get finance in, they would notify the state that we're doing it, and we'd open a PO for the maximum we could open it for, and then say, no we're going to go higher, right, then you resolve it. But again, all this will be fleshed out through the report we are developing.

Commissioner Fahl: Right, I had asked what that was when I first got here because I misunderstood it also, so if I did, not saying I'm smart, but if I misunderstood it, maybe other people did too, so thank you for clarifying that.

**Commissioner Fahl moved to approve the Consent Calendar as submitted. Commissioner Hoeppner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**E. ORDINANCES/RESOLUTIONS/ZONING:**

**1. Discussion/Action: Appeal regarding the issuance of a Kennel Permit at 412 Elm.**

City Manager Whitehead: At our last regular meeting, you received an application from the Planning & Zoning Commission to provide a temporary permit for a kennel. The Zoning board had given it a conditional pass. In that meeting, our Code Enforcement indicated that the applicant was completely in compliance, so the commission made the decision to grant the full 1-year permit, understanding that the next-door neighbor had the condition of moving the kennel, that was part of the deal, part of the decision to move forward. You granted that. The Planning & Zoning board received some feedback and some comment that they weren't happy with that decision, so we instructed them to potentially file an appeal, and that's why we're here today, to hear from the parties what the situation is within that code, where we are with the code, and then I think the next door neighbor, Scott, is here as well, to make a presentation. With that, we will stand for some questions, and then you can ask for presentations.

Mayor Hechler: Alright yeah, we are going to deviate from normal protocol, because Planning & Zoning have already had a meeting, and a public meeting, right? But we can still call people up to speak on their behalf.

City Manager Whitehead: Absolutely, I would say this is really not a formal process, and/or it is not necessarily an appeal from within our code, we just decided to put this back on the agenda, so we can have a discussion about it, find out what the conditions were and give everybody an opportunity to discuss this issue with you.

Mayor Hechler: There's been a couple of new revelations since we started this thing, for instance, I know there's been a re-inspection of the premises, and we also know now that the person was going to move the kennels, we had initially thought we didn't know if they were going to move or not. We had received a complaint in between, indicating that the kennels were not moved and weren't going to be moved, and now the kennels are going to be moved, is that correct?

City Clerk Torres: Yes, I have been in contact with the applicant, he is not able to make it today, he had a prior commitment, but I did upload his progress in the packet, and he said the kennels should be moved and everything should be done by the end of July.

Commissioner Fahl: Well, that's next week.

City Clerk Torres: Every time he does something new, he's been sending me new photos, and he said he is trying to get everything done, to be in compliance. Even though he is in compliance without moving it, he did say that he agreed to move the kennels and everything. If you look at the packet, he's done a lot of work. If you can see, he has put fencing. He says he has disinfected that area to avoid any kind of odors, and he has the pallets, he is making great progress, in my opinion, to get these kennels moved. He is going to get the new kennels moved, and then the dogs in the old kennel, everything should be moved, he said, by the end of July.

Mayor Hechler: Thank you for that update. With that ill open it up to anyone from the audience that would like to speak.

**Scott Valentine, Appellant:** My name is Scott Valentine, and I own the house at 414 North Elm, right next door. I have a 3-minute written presentation, thank you. It's my understanding, City Commission, that an unlicensed kennel has been allowed to operate in a residential neighborhood for months with Code Enforcement's approval. I was timid about opposing the kennel and was on good terms with my next-door neighbor. Restapaw Rescue is the name of the kennel. On Restapaw Rescue's Facebook post, dated May 7<sup>th</sup>, I quote, "At the peak of our numbers, fall and early winter, 22 rescued puppies, 4 adults, and 4 adult fosters, that's 32 dogs x 2 meals each day, 64 meals per day, 7 days a week = 448 meals." I live downwind, you'll see that picture of the porch that's in the corner of that picture is my front porch. The kennel that's right there is being moved, maybe 25 feet down the property line, so I'm still right there. According to Community Environmental Defense Service, a non-profit law firm, Richard Klein, phone number 410-654-3021, "the nationally recognized standards for kennels are A) Proposed kennels need to be guided away from residential neighborhoods. If a state-of-the-art kennel is proposed in a residential neighborhood, it needs to be 400 feet from the nearest home, and further, if noise analysis indicates, further distance is required. Dogs are only allowed outside to relieve themselves, and only during the day." I am all about personal freedom, the pursuit of one person's happiness cannot come at another person's expense. I am respectfully asking this Commission to step in and defend my quality of life. I've been very tolerant of my neighbor's wish. We are here today, all of us in the room, as a gift to everybody in this neighborhood. We are serving. The Commission's decision affects not only Restapaw,

but myself, and all of us in Truth or Consequences. I am not requesting Restapaw Rescue stop loving and caring for animals, I am suggesting that the easiest solution is simply to adhere to the existing rules pertaining to kennels in residential neighborhoods. The rules are well thought out and reasonable. The neighborhoods are for people, not for kennels. I am opposed to the kennel at 412 Elm, and I hope you agree. Thank you.

Mayor Hechler: I have a question. Are there less than 7 dogs there now as far as you know?

Scott Valentine, Appellant: There's 4 dogs in the kennel now, and then they have several fosters that are on the premises but not in the kennel.

Mayor Hechler: So, sir, we were led to believe, when this was originally presented to us, that you were in agreement with your neighbor, that if he moved the kennel away from your back window to another location on the property, that you were okay with it. That's what our understanding was at the time.

Scott Valentine, Appellant: Okay there is a chronology. At his application meeting, he voluntarily suggested that he could move the kennel. I was there to oppose, because it's not healthy for me. I cannot open the windows on that side, so we got all that. He said he'd move the kennel, and I said if you move it, I will not oppose you. Well, guess what? It's sitting right there, and I've put up with it all summer long, the dogs bark intermittently all night. When I hear that, what am I supposed to do, then just call Code Enforcement? But one dog roams around and just start barking. Anybody who walks by anybody walking by with their dog, whatever, anyway, and then the smell is the worst. It's not healthy, and as I read, there's a lot of dogs there, and I don't want it. I think I've made my point on that and hope I answered your question, sorry.

Mayor Hechler: The location then the location he is proposing to move the kennel is still not satisfactory?

Scott Valentine, Appellant: But he never did.

Mayor Hechler: He's in the process of doing that now according to the City Clerk.

Scott Valentine, Appellant: He had until the 14<sup>th</sup> to have it moved and he didn't move it, and now I'm opposing him. I mean, he had 35 days to move it and he didn't do it.

Mayor Hechler: We don't want to cause more stress for you and your neighbor.

Scott Valentine, Appellant: I appreciate that.

Mayor Hechler: We're trying to make the right decisions.

Scott Valentine, Appellant: We were getting along fine. As long as I gave into every single thing, we were great.

Mayor Hechler: Well, understand that the reason this commission made the decision that it made, because the information that we were presented was that you were okay with him moving the kennels. That's what was presented to us, that's why we made the decisions that we made. Now, the story seems like it's changed, so we'll figure things out, but I can't say it's going to go your way or any other way.

Scott Valentine, Appellant: I understand that, and I will honor your decisions.

Mayor Hechler: We'll have to rely on inspections, and I'd also like to hear from another person in our audience too, if we may. But thank you for that.

Scott Valentine, Appellant: Thank you so much.

Molly Hammer, Planning & Zoning Commission Member: Thank you for the opportunity for me to speak on behalf of the Planning & Zoning board. Behind me, I wanted to recognize that Chris Sisney, the chairman, is here, Susy Buhler, Co-Chair, and Lisa Kent, also a member, are behind me to support this presentation. Esther Luchini couldn't be here today, but she has provided a statement that I've printed and given to all of you. I only had very little time to prepare this, so I'm going to be reading a little bit, I apologize, but I will be looking down. As a member of the Planning & Zoning Board of Truth or Consequences, we understand that an appeal has been filed by Mr. Valentine, a neighboring property owner, regarding the 1-year kennel license granted to Mr. Flewelling by the commission on June 25<sup>th</sup>, 2025. The Planning & Zoning Board appreciates the opportunity to provide a statement in anticipation of Mr. Valentine's appeal. Not because we oppose Mr. Flewelling's request to operate a dog kennel, but because the permit should not have been presented to the commission before a formal recommendation was made by the board. I would like to briefly review the timeline of events to clarify our position. Mr. Flewelling is offering a much-needed service in our community, and we recognize this value that it brings to T or C. However, at our Planning & Zoning meeting on June 9<sup>th</sup>, Mr. Valentine, the neighbor, appeared to express concerns about noise, music, and odors coming from the kennel which is situated directly below his home's windows. At that meeting, and with the encouragement from the board, both Mr. Flewelling and Mr. Valentine came to a mutual agreement that Mr. Flewelling would relocate the kennel to the rear of his property to address the concerns raised by his neighbor. It was agreed by all parties that they would return to the next Planning & Zoning meeting, scheduled for July 14<sup>th</sup>, to demonstrate that this relocation had taken place. At that point, the board anticipated making a formal recommendation to the commission. That didn't happen. I wanted to direct your attention to the meeting minutes that I printed out that should be in front of you, 1 is at the top here, the applicant, Lon Flewelling, in the upper half of the meeting minutes page, he agreed that that will give everyone time to be able to do it and formulate a plan, referring to moving the kennel towards the back of the property. Again, this is from June 9<sup>th</sup>. Then, at the end, there was a motion made by Chairman Sisney to recommend a temporary approval, pending the relocation of the kennel. That's all in the minutes here. Unfortunately, it was during the follow-up meeting on July 14<sup>th</sup> that the board learned that the permit had already gone before the commission and had been

approved. This decision was unexpected and premature, as the agreed upon resolution had not yet been implemented or verified. Mr. Flewelling was not in compliance with his agreement at that time, and we were concerned that it went in front of the commission before we were able to make a formal recommendation. So, we respectfully ask the commission to consider these facts as you evaluate the merit of Mr. Valentine's approval. Our board remains committed to fair and transparent processes and we believe that proper procedure, including meaningful community input, must be followed to ensure the best outcomes for all parties involved. In our next meeting, I made a recommendation for an agenda item that we would like to have kind of a post-mortem discussion on what happened and how we can optimize our communication with the commission moving forward and optimize our support for the commission moving forward, because we felt like something really got missed here, and we did not support the agreement between the 2 parties, and it didn't happen, and we end up with very unhappy people and unhappy neighbors, and that's what we'd like to avoid. Thank you for your time and consideration. I provided another handout. Member Lisa Kent is here, she was able to come today, but Esther was not, so they both provided statements that they wanted me to share with the commission, and I printed them here for the record and for the minutes. Do you have anything to add, members, chairman, and co-chairman?

Chris Sisney, Planning & Zoning Commission Chairman: I think we've done a disservice to the town here by not having that meeting on the 14<sup>th</sup> and having both parties involved show up and discuss the results of their agreement. We've robbed Mr. Valentine of the opportunity to oppose the kennel. It sounds to me that he would have opposed it on the 14<sup>th</sup>, and I probably would have supported him on that because I believe if a neighbor complains, then I usually vote with the neighbor. I just think we did a disservice to everyone involved and I think we need an opportunity to make it right for all parties involved, thank you.

Mayor Hechler: Thank you. I do want to start out by saying, and I'll speak for myself personally, but I know the commission feels the same way, I really value the input that you guys put in, and the effort that you guys put in, at Planning & Zoning to get us what we need to begin so that we can make an informed decision. It's not perfect every time, we try to pay attention. I read every line that you guys write. I appreciate it, I appreciate your efforts, these are hard things to do sometimes, especially when you're dealing with neighbors and so on. I appreciate your efforts in that regard and thank you for making your recommendations. I think we got pushed a little bit when we had our commission meeting because we saw that there was a temporary permit, and we didn't see, well why issue a temporary permit if the problem was resolved? We thought that him moving the kennel and the neighbor agreeing that the kennel was to be moved would resolve the issue, and we made the stipulation, it wasn't binding, that the kennel was to be moved, and if that happened we would issue a permit. We were also under the impression that we could revoke the permit after a year if he wasn't in compliance, but that's kind of a long time. So, I see the error of our ways to some degree, but I'm not sure yet what we can do about it, so I will defer a little bit to Attorney Rubin. We had a motion, we passed it, and we issued a permit. Now where are we in that situation? Can we in any way revoke

that decision and put it back to Planning & Zoning for further determination, and then have it come back to us later?

City Attorney Rubin: Thank you very much. I think it speaks highly of the commission that you put it back on the agenda to discuss this today. That's good and I appreciate that we have a lot of input from the audience on this. The last thing that I think Officer Knull said, and I brought the minutes from our meeting, let's pull that out here. The last thing that Officer Knull told us, according to the minutes, "And if we approve, the city does reserve the right at any other commission meeting to revoke that permit at any time. So, if we come back next month and we receive 12 complaints, we can revoke the permit at that time." So that was the last thing that was said to you guys, to the commission, and therefore, I assume that when you approved the permit, that you did leave yourself open, if you wanted to come back later on, you can do that, to revoke the action that you took at the previous meeting. However, what I'm also hearing as I listen to what everyone is talking about is that the applicant is actually in compliance and there's been some back and forth from when Officer Knull first went out there and said there isn't any problems. Am I understanding this correctly, Ms. Torres?

City Clerk Torres: Yes, so according to the code, our applicant is in full compliance with his kennel permit. There has been 2 or 3 surprise inspections done, and there has been no foul odors, no other kind of violations, and our applicant is in the process of moving the kennel like he said. On the commission level, there was no stipulation, and the commission level is the final say on it, and there was no stipulation saying that he had x amount of time to move the kennel. We do have to take into consideration that things cost money in our economy right now, he is doing everything he can to try to move it and try to resolve this, even though it is not required of him, so I think we also need to take that into consideration.

City Attorney Rubin: Yes, I think that's important, that last thing you said, that it's not required of him to move it, I think that was like an agreement, but I mean, the action you took actually did not have that as a condition. But I understand we want people to work with each other, and I understood what was going on about the fact that there was an agreement here, but it sounds like the agreement's going to be fulfilled anyway, that is what I'm hearing.

Mayor Hechler: Even if it's fulfilled, we are still going to have unhappy neighbors, so there may be a situation, we're not going to be able to make everybody happy, we'll have to figure that out. Mr. Sisney, can you come and talk into the mic please.

City Attorney: To answer your question, your question is, do you have a right to rescind the action you took? Yes, you do, because that's really what the basis of your decision is, but I mean, I'm not sure there is a base that you'd want to do that is my point.

Chris Sisney, Planning & Zoning Commission Chairman: I'd like to make the point that we made an agreement with Mr. Valentine that he would have the opportunity to come back and revisit this, and he wasn't given that opportunity. It doesn't seem fair to me that

we had an agreement, we all showed up on the 14<sup>th</sup>, and it was already decided without us getting to talk about it again. But we did have an agreement that we weren't able to fulfill.

Commissioner Fahl: I wasn't at the meeting, so I'm off the hook. But just listening to what transpired, and our options, if we can revoke it, we didn't even follow our own policy, so somehow we missed that it needed to come back to them before we did anything, right? I mean, it says here in their minutes.

City Manager Whitehead: It's going to be tough to say, but according to our policy, the property owner is in full compliance of the code. That particular individual has the same rights as the neighbor. They can have the kennel, they can have the permit, they can have 7 dogs. Anyone can apply for that permit and it's in our code and they can go through it. There is no provision in the code that would allow us to put a temporary provision on it, and that's the statement that Officer Knull made. I certainly don't want to throw Officer Knull under the bus, you know, his job is to enforce code, to go look at it, and to implement it. On that particular day, his guidance to you was that there's no provisions for you to put any kind of conditions on the permit. The property owner is in full compliance, provided that they stay under the 7 dogs, they avoid the odors and those kind of things, they are in compliance. So we didn't necessarily avoid, and I am guessing on your behalf, that was part of the presentation, that they've given him some time, he's going to comply, but he's already in compliance, so the commission moved to just grant the 1 year permit, knowing that you had 2 options: it's either going to come back in a year because it has to, and if he's not in compliance, you could decide not to grant the temporary permit, or in this particular case, you would have that option to then deny it. The council, Jay and I have not conferred on this, I wanted to see where the public hearing went. Angela, the Clerk's office, brought the feedback, just so we can have this hearing today. We would really need to go look at what level could we absolutely tell a citizen that's in full compliance of the code that they can't be granted a Special Use permit. I still won't have an answer on that side of the ledger.

Commissioner Fahl: My question wasn't really about, was it right or his permit, it was, we didn't follow, if the minutes of the Planning & Zoning said we want to revisit this before we make a recommendation, why did we move forward and not follow that? That's where I'm confused.

City Clerk Torres: Because that's our protocol. So what we do is we take it to the board, they have their public hearing, we have the minutes presented to you, and it was in the minutes, so at the meeting, you read the minutes and you saw that, so you guys could have said "Okay we're going to take this into consideration" but that's not how it went at the last meeting when it was approved.

Commissioner Fahl: Okay, well, I'm sorry we didn't follow.

City Manager Whitehead: Just to be fair, our representative from Planning & Zoning did present it in it's entirety the way that it came with the recommendation from the Planning

& Zoning Commission. That recommendation was on the table, however, again, when Code Enforcement indicated that there were no provisions, they are fully compliant, whether or not there is a condition, and I think the spirit of the fact that the owner said he would move it. If all that's going to happen, let's just go ahead and just give him the full 1-year permit, in fairness.

Commissioner Fahl: I apologize since I wasn't there.

City Manager Whitehead: What I would recommend would be to hear again from Mr. Valentine to say, if the kennel is moved by July 31<sup>st</sup>, is that going to satisfy the concern that we have here. That, to me, would be the only way to solve the short-term problem, to whether or not we could withdraw or change the permit, I think Jay and I would need some time to meet and come back with that recommendation. Just to give you time, we're not pushing it off, we will be planning a special meeting next week for the budget, so we could review it and that item could appear on our agenda to make a decision on the 30<sup>th</sup> to see if the kennel is in place, and then what action you could take.

Mayor Hechler: Thank you, manager. I think we'll need some criteria to understand that if all the requirements are met for a kennel, and there's a permit requested, do we have the authority to deny it? I think that would be one question I'd like to have answered. So as you do your research, let's figure that out. I know there's some best practices probably out there, but they're not necessarily regulation or law.

City Attorney Rubin: Correct.

Mayor Hechler: We have to adhere to the law, so we'll have to figure that part of it out.

City Clerk Torres: Another thing, too, to maybe try to avoid this on both levels is that our Planning & Zoning board, I think they're wanting to, at their next meeting, get a representative to come to our meetings and kind of let you guys know their side of how they made their recommendations, and maybe that will help both sides to try to avoid this in the future.

Mayor Hechler: Okay.

Molly Hammer, Planning & Zoning Commission Member: I would like some clarification as a relatively new board member. When we have a public hearing, and we are supposed to make a recommendation to the commission, if we want or need more time, like this last meeting, we said, "Hey, let's get some stipulations in place, let's get some agreements in place, and maybe that's not to code, maybe he's well within the code..." but in order to mediate, and make sure that every party is happy, maybe we'd like more time. I think there was an assumption made that we were making a recommendation, and we weren't yet. We needed more time. I would like to know, if not today, in our future meetings, how do we do that? How do we communicate that back to the commission to say, "Hey we need 1 more meeting on this, we're still trying to decide some things."?

CITY COMMISSION JULY 23, 2025 REGULAR MEETING MINUTES

Mayor Hechler: Correct me if I'm wrong, but I think you have the option at the time to table it.

City Manager Whitehead: That's correct.

Mayor Hechler: And if you table it, give a reason for it, and that gets put on the record, and then you'll have your next meeting to deal with it.

Molly Hammer, Planning & Zoning Commission Member: So that was communicated in the meeting minutes, Lisa Kent said that we were going to table it, so is that the exact language we need in order for that to happen?"

City Clerk Torres: Yes, because you guys made the motion and it wasn't to table it.

Mayor Hechler: Right, well the motion has to carry for you to table it.

Molly Hammer, Planning & Zoning Commission Member: Okay thank you.

Susan Buhler, Planning & Zoning Commission Vice Chairman: I just want to say that Mr. Valentine and the other gentleman, they had agreed to work together, and that's why Mr. Valentine did not get up and have a complaint against his neighbor. I would like to see that be able to be worked out, and for them to still work together and be neighborly toward each other. I think that's important, that's all I have to say.

Mayor Hechler: I understand. So, for our action, can we not take action and is there a way to refer back? It's not official, officially, but they can re-investigate it and make another recommendation to us, couldn't they?

City Attorney Rubin: I think you have the discretion to really order where everything is appropriate in certain circumstances? I think, at the time, though, the permit would still stay in place, correct?

Mayor Hechler: Yes.

City Attorney Rubin: Alright, so I think with that understanding, then you can.

Mayor Hechler: Here's what I'm thinking, and please chime in if you don't agree with me, but the permit is already in place, it's there. Instead of rescinding the permit, I'd like to remand it back to Planning & Zoning for another hearing and other evaluation, and I'd like to hear your recommendation on the new evaluation, and then we'll factor that into our final decision on whether to rescind that permit or if the permit stands.

Commissioner Fahl: We can do that?

City Attorney Rubin: Yes.

**Commissioner Fahl moved to table the appeal regarding the issuance of a Kennel Permit at 412 Elm, pending a new recommendation from the Planning & Zoning Commission. Commissioner Hoepfner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

Mayor Hechler: I know it seems like we are kicking the can down the road but let's resolve this eminently amongst everybody as much as we can. Thank you both.

City Attorney Rubin: Your actions make a lot of sense, really. I think that's a good way to handle it.

City Manager Whitehead: Jay and I will make time this week or next to review the code in detail and find out, again, clearly, can we rescind and/or could we have not even have voted yes or no? I'm still not sure that if I comply with everything the code tells me, can you say no? I don't know that answer, so we'll work towards that as well, and we will share that information with Planning & Zoning.

Chris Sisney, Planning & Zoning Commission Chairman: He came to us for a Variance, okay, so obviously it has to have approval, it's not automatic, that's why he came before the Planning & Zoning committee, I just want to make that point because I keep hearing otherwise.

City Manager Whitehead: I'm going to be clear here. He did not come for a Variance. It was a Special Use Permit for a Kennel. It's a different process, and I'll work with the Chair to make sure we get that clear to the board, but it's not a Variance and so the public should not assume that we did something adverse, it's a Special Use Permit for a Kennel. Anyone in the city can apply for a Special Use Permit for a Kennel, and if they meet the conditions of the code, the zoning board would just have to make sure that they did those items, and if they were, then it would get a due pass because they followed the code. It's not a variance that would allow him to keep on going, it's a Special Use Permit. We have some work to do and we'll do that and I'll share that information with the Chairman. I'll keep him fully involved.

## **2. Discussion/Action: Compensation Study.**

City Manager Whitehead: You saw a presentation today from the consultants that we've hired to do a compensation study. I would stand at this point for any questions that might have come to your mind through my presentation or the documents I've given to you, and/or with Jocelyn, who is also a partner on this project.

Commissioner Fahl: I think we asked a lot of our questions during the presentation, where I guess we should have waited.

Mayor Hechler: My major concern was that we are able to pay for this study, I think you articulated that pretty well. You mentioned that we're going to go to Level 2, we've got to keep the exempt employees. What would be the timeline for the exempt employees to be caught up?

City Manager Whitehead: That's a great question, number one, I would say our recommendation would be that whatever the one employee that's just below the highway, we adjust that, that \$3,000. Then we would look at this for next budget cycle at the same time, and Valliant has offered to review the study at no additional cost to us to make sure that one year from now, whatever they should have been moved up, we would get that new number and that new assessment for those. So again, our vision would be, next budget cycle for the exempt employees.

Commissioner Fahl: I just have to say, on a personal note, I'm very excited that we are getting a very comprehensive study done, and I've always believed that our employees are our number one asset, and that we need to do the best we can for them. If we have a good working environment for our employees, then we'll have some employees that will stay and feel valued. As somebody that was bossed around for 60 years, I have to have supervisors that appreciate your efforts and do that by compensating you fairly when they can afford it, doing evaluations, and treating them with respect is so important for morale. This is a good step and the other steps you want to get in place by September I think is going to show them how much we appreciate and value them and also gives them a vision of how they can see their future and want to stay with us. I think this is a wonderful effort that we've got underway, and if you've found a way to pay for the non-exempt who are usually the ones who are on the lower end of the salary schedule, then whatever we can do to help them and elevate them, and make them feel valued is really important. Thank you for getting all this to us.

City Manager Whitehead: You're welcome, I wish I could take the credit but really, Finance and Human Resources, they're a good team, they presented this, and Valliant did a good job with their assessment. It's really their efforts. Our recommendation would be to approve us \$250,000 expenditure to implement this plan, for the non-exempt employee, bring in the one exempt employee, and allow us to develop a complete comprehensive plan to present to you.

**Commissioner Hoepfner moved to approve the Compensation Study. Mayor Hechler seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

City Manager Whitehead: And just so you're aware, Mayor, the final decision will require your approval at the first meeting in September. So even though you're approving this, you're giving us the guidance, I don't want employees to think that the Commission has already approved it. We have a lot of work to do to give you a comprehensive plan for you to adopt in September.

**3. Discussion/Action: Civility Government Relations Contract Renewal.**

City Manager Whitehead: This particular contract is an annual contract. This would be the second year of our contract with Civility Government Relations. This is effectively the city's lobbyists. Here are the changes that we've proposed. Both the mayor and I have been able to work with our representative, and we negotiated it down from \$36,000 for the last year, actually the last two years was the fee, and we've negotiated down to \$18,000. We've changed the scope, the representative, we're not focused as much on finding the dollars. If you'll remember, this person worked a lot with Bruce and previous administrations to capture that large pot of money when we were working with the Water Trust Board, our area representative. We feel like this is the right number, we've added a couple of items, which we feel like we want to expand our relationship with our area representative, so we're going to try to make that a little bit better. The other item our consultant would be doing. During the year, there are a lot of interim committee meetings, the legislative finance committee meets quarterly throughout the state. Our lobbyist works for other entities, so they would be going there, making sure they are representing our needs. I'll work harder with them to make sure she has the list of items we want to work for. Secondly, when we're in session, we think there are items that represent the city. This last year, we had some issues on crime, and I had just got on, so it was a little bit shaky, but our police chief really would have liked to have had their voices represented at the state legislature and committees as it related to crime and crime related bills, so we've got to do a better job. Our recommendation is that we approve this. There's one item I left in red which would be travel. We will not pay for travel and pre diem when our lobbyist is at a committee meeting representing all their entities, what we would do is if we needed her to come here to present to us, that could be some travel, or if there was a particular issue that we needed them to represent only the City of Truth or Consequences, then we would request travel and I would be able to approve travel, but she would have to solely be working for us, otherwise she understands that she has a variety of other government entities she works for, so that travel is part of her contract. So, we recommend approval.

Commissioner Mitchell: No comments, I agree with restricting the travel though.

Mayor Hechler: That was a good presentation, answered all my questions, so I'm ready for a motion.

**Commissioner Fahl moved to approve the Civility Government Relations Contract Renewal. Commissioner Hoepfner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**4. Discussion/Action: Proposed Truth or Consequences Police Policy Manual.**

Police Chief Tavizon: As a department head of a high-risk organization within the city, it's my job to maintain and continuously monitor and implement new policies and procedures. When I first took over, I did a risk assessment audit of what our policies were at the time, and I presented a new set of policies in January of 2023 based off what I experienced for defendable policies and such. Policies, for a police department anyway, are living breathing documents that are always having to be updated, always changing according to how the law changes. One example of that is a recent case law that came out pertaining to inventory searches, which we were allowed to inventory a vehicle upon a lawful arrest, so State Lee Sanders changed some of that and it doesn't allow us to search bags, for example, that are zipped and closed in the trunk or any part of the vehicle. This is a new case law that I would have to go into and update our policies to match with. That's the same at the state and federal level. I had a unique opportunity, I received a phone call from the Self Insurer's Fund, they had done a risk assessment for all law enforcement agencies across the state of New Mexico to determine why we were paying out, what was going on that we're paying out constantly, whether it's pursuits, use of force, or other things of that nature. I participated in part of that survey. I felt that we were strong in our policies. They mentioned that they had come across some agencies that didn't have policies at all, or the policies were outdated from the 60's or 70's. What they did is they got together with the municipal league and with the association of counties, and they hired Lexipol to come up with policies they could implement across the state for agencies that were willing to go with them. As part of that, the Self Insurer's Fund is supposed to give discounts to agencies who did participate in that. They asked if I'd be willing to do it, I kind of initially scoffed at it, then I realized that during the course of my chiefly duties that there were some incidents that had come up that our policies didn't necessarily cover. There were some gray areas where we had to go off of not only city policy but follow FLSA practices as well. I gave it a second thought and started reviewing some of the policies, and these policies not only cover state but also federal law, and federal best practices for the areas that aren't necessarily challenged in law. I implemented them, I removed some that weren't pertinent to us, because we are just not a large agency with multiple divisions, so they weren't relevant to our department. The ones that I did implement on Lexipol, it's a very nice program that allows for policy review and policy trainings, and as you're aware, part of liability when you do get a lawsuit is: Does that individual know the policies, are they aware of them, did they follow the policies, and can you prove that you trained that individual on that policy? So, what Lexipol does is eliminates that for me and automatically gives the officers, including myself, and everyone including the civilian staff as well, scenarios based off policy, and it covers the policy that the scenario came out of. These are random scenarios, and it documents it, so I can go back and get a history on it. It also documents when they reviewed it and accepted or acknowledged that policy. That way, they can't say they didn't know. We can see what date they acknowledged it, so they need adhere to it. It's a great program, and they do all the legwork for me, so I don't have to do all the research for any kind of laws or case laws that come out, they automatically send me updates as that comes. The 600+ page document that you have, I actually liked it quite a bit because it's presented in a way where you can navigate it. It has a glossary, so you can click on the policy you want to review, and it will take you to that exact policy. Part of the thing is it also separated the policies from the procedures. As you're aware,

under the inspection of public records act, patrol police tactics are one of the exemptions from that, and that's what procedures are, are basically our tactics. So now it just gives us the policies which are legally covered under that inspection information act, and it gives that transparency so the community and the public can have access to that. With that I stand for any questions you may have. I do recommend approving them, they're great policies that have been reviewed by not only the Self Insurer's Fund attorneys, but also the Municipal League and Association of Counties attorneys. So they've been vetted, Jay if you have anything on that...

City Attorney Rubin: You and I spoke about this yesterday and yes what you told me made me feel very comfortable about going forward because as I understand, as you just said, this policy, 600 pages or so, represents a collaboration between the Self Insurer's Fund, the Association of Counties, and the Municipal League. I like the fact that if we adopt this, we're going to be getting a discount perhaps, so I'm comfortable going forward at this point.

Police Chief Tavizon: I'll stand for any more questions if you have anything on any specific policy that you might have.

Commissioner Fahl: Okay mine's not going to be too particular, I just wanted to say that the preface you put in there, and the law enforcement code of ethics, when I read that I was very inspired and proud of our law enforcement, of our community that they do and they live that, and I'm really proud of that. Thank you for putting that in there because it just restores your faith in law enforcement.

Police Chief Tavizon: Now we're not perfect and we won't ever be, but we'll always strive to do better for our community and make our community proud, and a proud place for people to live.

Mayor Hechler: You actually did a nice job on your presentation, because I had some questions about how an officer is going to know what's contained in a policy that's 600 pages long. Knowing that these officers are tested on this, I don't know how regularly it happens.

Police Chief Tavizon: It's monthly.

Mayor Hechler: It's monthly, okay, so at least you know that there's coverage there, and they're going to know what's in that policy, so that was an important factor for me. Just in your policy itself, I was looking at, why do we have a lieutenant and not an assistant chief?

Police Chief Tavizon: That's just the structure that we have in our current organization. When I took over I didn't want to make any sudden changes because it could potentially affect the pay.

Mayor Hechler: Right, but your Lieutenant assumes the duties that an assistant chief would, for instance, right?

Police Chief Tavizon: Yeah, it's a collaboration between my assistant and lieutenant, yes.

Mayor Hechler: It's just a question for me. I'm used to seeing departments that have them capped in under Chief of Police and Assistant Chief, that's the way it was before here. I'm not necessarily for that, I'm just kind of curious.

Police Chief Tavizon: Yeah, I don't like the idea of being too top-heavy. You still have folks that are accountable to the public and are out there fielding calls as well. We're small enough to where on occasion, I field the calls as well, so the lieutenant just being that close to the patrol, they have immediate access to that supervision so if they have questions, they could be guided.

Mayor Hechler: In regard to the Emergency Operations Plans, it's a general plan, but do you get into specifics, for instance, flood control issues? Or if we have a major incident like, the dam's not going to break, but we could have a catastrophic storm that's going to fill those arroyos up and all the sudden we have flooding at the river. How do we address those emergency ops?

Police Chief Tavizon: So what attaches with the Hazard Mitigation Plan that the county does, right now we're operating under the 4019 Hazard Mitigation Plan in response to that, and as soon as they release the new one, which should be some time either early next year or the end of this year, we'll implement that as our response to those major incidences.

Mayor Hechler: In regards to the homeless, do the officers know what services are available out there so if they identify a homeless person, I had recommended that we make contact with them, see if they need any services, to see how they're doing, it's a welfare check more than anything else. But do the officers know what services are available out there?

Police Chief Tavizon: Yes, sir they do. We try to work pretty diligently with the Olive Tree is one of the resources that they have. They offer different services, I know there's a couple different other organizations out there.

Mayor Hechler: Okay well, if it's okay I don't want to delay this too much more. I think it's a good job overall and it's a great policy.

City Attorney Rubin: I think that is the most striking would be the table of contents, because I thought that did a really good job of organizing. If you need to find anything, like what you were just talking about, it's right there. It's perfect.

Mayor Hechler: You click on it, and it takes you to it.

City Attorney Rubin: I like that.

Police Chief Tavizon: The biggest thing for us is to hold people accountable. But to use discipline, not discipline as a negative thing, for example, but use it as a way to learn and grow from that experience. So that's kind of been my philosophy since I've taken over, and discipline is used to grow that individual. If it means them learning what the policy should have been and what they should have done, and then teaching it back to the other officers, that way they feel extremely confident of what that is, and if they have no questions, then we try to use that. But if we have a guide that gives those officers that, then it makes it a little bit easier for us to hold people accountable and have that level of that standard for them to follow. Hopefully that will give that level of professionalism that the community deserves.

Mayor Hechler: How long was your MTO program?

Police Chief Tavizon: It's a 12-week program.

Mayor Hechler: So as soon as an officer gets out of the academy, they know the basics, right, then they're assigned to one of your senior officers for 12 weeks?

Police Chief Tavizon: Yes sir. If we hire someone, for example, we have somebody in the hopper, so to speak, that's certified, he's got about 8 years of experience, so he may be put on an accelerated program. If we bring him on, really all he's learning is the community, learning the streets, which is important for them to know before they're released on their own, and then they learn our report management system, our body cameras, or whatever the case may be. If they're good to go when it comes to the law enforcement aspect of that, then it may be an accelerated program, that 12 weeks may be dropped to 6-8 weeks, for example.

Commissioner Hoepfner: I'm going back here to emergencies, so I understand that we are working together with Sierra County, would it make sense that we do an internal one? As an example, from my past, 2011 was that big winter storm where gas pipelines, everything froze. At the German air force level, we immediately created an emergency center where the different officers from every department were there, and also we had a checklist like, in case of winter storm, flooding, certain things, so that we know when we would need housing, that we asked the City of Alamogordo and business owners said, "Hey, I've got my hotel." In an emergency like that, "I offer to the city, so many rooms." I was housing authority at that time, so I had the keys ready, and everybody knew they can come to my office and receive a key for them and their family. I think it would make sense to look into doing a small version of an emergency plan, so that we really know which firms offer assistance. Free of cost to us, when something happens and we are in the community. I think there's plenty of people who would like to contribute, especially non-profits as well, so then we would get a checklist, chain of command depending on the size, so that we really can say "Okay, City Manager's office is the headquarters for emergencies." that's where the commissioners would come together so that when we have to prepare in emergencies, we can do so at the point of havoc, so that we are more prepared. I don't wish the dam would break or anything extreme like that. I remember we had once a year a somebody came up with a scenario, and we did a dry trial of getting

ready, so that we know, "Okay, it's flooding. Flooding means we need equipment. We have so much equipment city-wise. But here, in the current case, was a situation where we didn't have the equipment, that in certain situations that the payment isn't something that is really helping your neighbor situation, that he can be given help that he can write it off later as a donation, but that we have some knowledge of what equipment firms, what departments or civilians would be willing to put themselves on a list. For example, animal shelters, it's not just our animal shelter here, but when there's a big catastrophic event, then it would be the case that we need more space for animals. Desert Haven can offer their help and say, "In that case, call us up, we will take the kittens and animals we find in our searches around for people." I just feel it very deeply, when I see what happens, attacks us and everything, and when something happens like what's going on in Ruidoso, happens here, I want to be able to say that we did our part. Help takes time and if FEMA gets cut, that means nobody is coming and that's why I always propose the partner city system, maybe we could look into that as well. Where I grew up, we have partner cities that are similar sizes. So, when something happens in the partner city, it's not just student exchange programs and things like that, so for example, the partner city of Ruidoso would have known on the day when it was happening, there would be some buses with supplies, blankets, drinking water, on the way. Then Ruidoso can say "There's a bus of volunteers coming." So, my recommendation is to implement something like that.

Police Chief Tavizon: I hope this eases your concern a little bit, so mobile state and county, we all operate under FEMA's incident command system, it's a national model that we use, so we do have something like that in place that we currently use. Our officers are trained in Incident Command System 1,2,7, and 800 levels so they know the response and the structure that comes out. Each individual crisis is going to be different, you will have different needs assessments done, and you'll call your resources in as you need them, as you see fit, but we do currently have that contract with our county, the emergency manager, so he helps a lot. He helps facilitate some of the local volunteer programs to have people man shelters or man what we need them to. As far as getting some of the hotels on board, that would have to be something they would be willing to do.

Commissioner Hoepfner: When we are asking, maybe people are, like I would say that I have space where I could give shelter in an emergency.

Police Chief Tavizon: But we absolutely have something in place currently, and if we need more resources then we start going up the chain, state, and then up to the federal level if we need to. We do have something in place.

City Manager Whitehead: If I could expand on that, when we did approve the contract with the county for the EMO, we agreed, the chief graciously accepted that one of the officers or multiple officers are effectively our EMO in the county. His department is working directly with the county, so we don't have anybody else doing it so it's falling on him and his department. We just did a debrief on the last emergency situation, our first debrief, and many of those ideas came out. So, you know, the chief and his department is leading those efforts for emergencies. So that's where it belongs and we will continue to get better at that, but absolutely. And one last comment if I could, just like you guys,

it's a lot of pages, I did not review them all, the chief and I have talked about the policy as it relates to how administration and the police department will interact, there's only one area that will be a little different, and that is under Human Resources. So the policy came with a hard recommendation of changing our Human Resources, the chief and I worked with Alona to come up with what we're calling a hybrid, so you will know that some of our police records will be moving to the police department for care and custody with the chief, and all those that are pertinent to hiring would remain with Human Resources. We are going to work through that particular policy slow and easy. Furthermore, the chief and I have talked over ways we can get Alona more involved in police-style training on Human Resources specifically, so he's asked that we help with that, so we get that process a little bit tighter than what we've had. We want to support him in that. That would be the only real change within the policy where there would be a connection between us, and the chief and I are fully on board, we are fully in support of his efforts here.

**Commissioner Fahl moved to approve the Proposed Truth or Consequences Police Policy Manual. Commissioner Hoeppner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**5. Discussion/Action: Approval of Purchase Requisitions over \$60,000.**

Jocelyn Holguin, Finance Director: Angela and I are working on this list so it might look a little wonky on today's, but we'll nail it. The first 2 items that are listed on here for the \$60,000+ are for the solid waste agreement, and then I was competing with the chief and I put all the insurance in there for you all to understand every single aspect of the insurance. I was hoping the cost was going to go down, but it went up to over \$400,000 and those are the first 2 items I am requesting approval for.

- a. **Statewide Price Agreement #40-000000-23-00023. Pluma, LLC for Foch Street Project through Main Street to include NM GRT.**
- b. **CES-MEP 2023-04-R2211-678 LYNCO Electronic Signs Project.**
- c. **CES Contract # MEP 2023-04-R2211-678. T or C Display Boards for 307 Date Street and the City Baseball fields.**
- d. **CES Traditional Contract # 2023-05-R1289-ALL. Ralph Edwards Skate Park Design and Construction.**

Commissioner Fahl: I just wanted a little more information about item d.

Jocelyn Holguin, Finance Director: This is part of the funding that comes out of community services. Initially it started I think 3 years ago, they have 30% of design plan through Wilson, the plan was to increase the cost for Wilson to go up to 100%, then go out to bid. One of our local vendors mentioned Four Rivers, and they had completed a skate park in Deming, and they're under the CES contract, so we've been working diligently with them. They came up here and reviewed the plans. Based on the discussion, with approval, to let them move forward with the design plan, and then have the skate park re-done. We also went to Deming as a group and looked at the skate park in Deming, and it's really

nice. The whole complex is actually really nice. I just asked them for some supporting documentation for the history of their work based on our conversations. The main aspect of it is they're all skaters so they know how to run a system that would work for skaters. Our goal, once the skate park is complete, is to possibly have functions and hopefully festivals for skaters. That's something we're looking at for it, and it's grant funded. There's a portion of it that will be coming out of the general fund because we are a little short on the funds, but I didn't have those complete numbers at the time. Once we do, we will have to offset the shortfall, and that's just because of time constraints and really, because we'd have to revert funds if we don't complete it, is the main reason I would like to push it through and have you all accept it.

Mayor Hechler: This was your design build concept?

City Manager Whitehead: Yeah, it's the concept that we've been working on which is design build. We have a 30% contract with Wilson, they've given us a design. If we were to follow through, pay Wilson to finish designing it, we won't have enough funds to build the skate park they're designing. Jocelyn and the team found Four Rivers, actually our Community Service found them through a Deming consultant. They've built a lot of parks, a lot of items around the state, but they've built just one skatepark, so we looked at it from a design build, we've given them the budget, they've come up with a design that they could implement the items that we want and do it within budget. As Jocelyn has pointed out, we think we're probably \$15,000 short on what they want to build what we need. This would fit into our lodger's tax facility side of the house, so \$15,000 is not worth saying we can't spend the money. So that's our recommendation is that we approve this design build and that we're authorized to spend those additional funds the finance committee finds to do this.

Mayor Hechler: The bottom line is it's a lot more money going into brick and mortar

City Manager Whitehead: It's almost all going into brick and mortar, then into engineering in this particular case. We're going to be doing this process on many of our projects that fall into this category, where we only have a couple hundred thousand, how do we get the most bang for our buck? And this is allowed under the procurement code design build versus design, bid, and build.

Commissioner Fahl: Is this going to be in the same location, is it bigger than what we have or?

Jocelyn Holguin, Finance Director: It's in the skate park. I forgot to add it.

City Manager Whitehead: It will be in the same location as the current skate park.

Jocelyn Holguin, Finance Director: They're going to remove the metal, make it wider, longer.

Mayor Hechler: It's in the same footprint.

OJ Hechler, Community Services Director: It is going to remain the same size. To expand it, we didn't have enough grant funding to cover the whole project. \$192,000 is going to come out of one grant, \$21,000 will come out of our Capital Appropriations Grant, these grants have to be expended by June of 2026, so the contractor is aware of the deadline, he says he can meet that deadline, we have a way to go, we're not spending all of our money on engineering costs. Like you said, we're going brick and mortar, we're excited about this. We met with Community Development for the County, Brian Reedy, and everything that he told us about the contractor, the contractor, already told us. So, everything seems legitimate, we're actually really excited and the contractors really excited to be able to work on this project, so I think it was a good find, and we're excited to get it moving.

Jocelyn Holguin, Finance Director: Also, on the spreadsheet for approval, I put \$2 million and that's not correct, but I'll fix it.

Commissioner Hoepfner: The skate park is very important to me as well, that was one of the reasons to be part of the Parks & Recreation beginning. I'm happy to see that we are moving forward and we have a proposal that is a combination of planning and building, that we don't just have a nice blueprint to look at for the next 20 years, that it is actually happening. I'm very happy to see and it's very important that you are using a contractor that specialized in it because I spoke to somebody from Las Cruces and they tried to save some money by using a regular contractor who said, "I can do that, a little bit here and there", now nobody is using that small skate park because it just doesn't work. They tried to save some money and since we have professionals planning and building it at the same time this is absolutely good.

Jocelyn Holguin, Finance Director: Also on that design, the concept is based so that it can flow when they're skating, that's what, Chris, the owner of the company, that was their design idea, the rough edges they can keep skating through it.

City Manager Whitehead: I'm going to finish on the skate park by saying that the contractor that was showing us met us on his rollerblades to show us how the skate park worked, so I think he knows what he wants to build, it's going to be exciting, his kids do that. Item A is a revisit to the Foch street project, we made a calculation error, and if you looked at the contract, we used the word 'inclusive' of gross receipt tax, and the contract was 'plus' gross receipt tax, so we had to go back and meet with the contractor, Jocelyn has cleaned up that error, so for that, you're just re-approving the dollar amount that we have, but we also owe the contractor gross receipts. He wasn't going to do it for \$200,000 less. The second item, b, is for the signs that we've been working on to put on both sides of the city, one at the baseball fields, and one at the civic center. Those are the electronic signs. We have that contract ready, so that's what you would be approving there, that's \$175,000 for both signs installed, and those funds are carry-forward funds from lodger's tax last year, we budgeted it, we just couldn't get it. Item c will really require no action, we added that to the agenda because on both signs we want to do the electrical underground, we really want to make it look nice. Jocelyn was unsure what the quotes would come in

at, so she wanted to be prepared if it was over 20, we could at least have it for you to approve. It came in at just about \$9,000 for both signs so it does not require commission's approval at this point, so there would be no action on item c, and then of course item d, you've discussed here which is the skate park design build. We would recommend approval of a, b, no action on c, and item d. We will stand for questions.

**Commissioner Fahl moved to approve the Purchase Requisitions over \$60,000 items a, b, and d. Commissioner Hoepfner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**6. Discussion/Action: Approve the executed grant agreement for the FY26 Clean and Beautiful Grant.**

OJ Hechler, Community Services Director: This is your FY 26 Clean and Beautiful grant, I want to thank Becca with Main Street for working with us on this. It's been a collaboration with Main Street the last couple years, I think this grant gets a little more successful every year with community involvement as far as trash cleanups and things of that nature. I will just kind of give you what the expenditures are real quick, then I will give you the who, what, when, why, and where. We've been awarded 4 plastic bottle refill stations. We got this idea off a webinar that we watched with the New Mexico Tourism Department. There are 3 or 4 other communities, municipalities, in New Mexico that have implemented this. We have also been awarded 3 recycled plastic picnic tables, 2 that will go at the pool park because those need to be replaced really bad, and the last one will go to the Children's Memorial Park. The idea behind this is, what do you do with your plastic water bottle after you drink it? You throw it in the trash, or you throw it on the ground, and it ends up somewhere. The idea is to put these at Ralph Edward's Park, put two downtown T or C, and then put one at the Louis Armijo Sports Complex. The one at Ralph Edward's Park and the one at the ball fields are going to have a water fountain attached to it. Our 25% match is all in-kind services, these will be conducted by two litter cleanups. One in the fall and one in the spring, and what we will do at the first litter clean up is count how many plastic water bottles we pick up. At the next cleanup we have, we will count them and see how much we reduced the waste. These plastic water bottles end up in landfills, we all know the story. What this also does is encourages youth, so when you have water accessible, like at the ball fields, they're going to fill up on water instead of soda pops and things of that nature. That's the idea behind it, one of the incentives for the volunteers that come in for the trash cleanups is, we will hand out water bottles that have co-branding on them with the City of T or C and Main Street, and they can use them at these refill stations. I do have a photo of the refill stations if you want to see a picture. These are the ones with the water fountains attached to it. They're stainless steel, they're really pretty simple, there's a filter and a water line in there.

Commissioner Fahl: So, isn't our in-kind doing the plumbing for these things? If it's a refill, we have to have water.

OJ Hechler, Community Services Director: It could be. On our application we put in-kind services will be the volunteers for the litter trash cleanups, and then sanitation, when they bring the dumpsters out, also administrative time, overseeing the grant, reporting all that stuff, all of that counts towards our in-kind services. I will add one thing, this has been executed already, we had a deadline, so we're here for consent for the grant.

**Commissioner Mitchell moved to approve the executed grant agreement for the FY26 Clean and Beautiful Grant. Commissioner Hoepfner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**7. Discussion/Action: FY26 Water Project Fund (WTB) Application Cycle Notice of Intent.**

Assistant City Manager Alvarez: The Water Trust Board has opened the FY 26 application cycle again, they opened it on July 14<sup>th</sup>, and they expect notice of intent is due by July 31<sup>st</sup>. It is our intent to apply for some funding specific to the Wastewater Treatment Plant, we're still finalizing actual project scope, as well as project cost. We have an estimated program funding at Water Trust Board available this year of \$162 million, which means each individual application cannot exceed the amount of \$124.3 million. We won't be applying for that much. Water Trust Board has some requirements we have to meet in order to be eligible for their funding. As you know, we received Water Trust Board funding in FY 24, we received \$16 million. In FY 25, we received the Cantrell Dam. They're not going to look at the FY 25 award because we haven't received those grant agreements yet, but they will look at the FY 24, and per their policy guidelines, we should have expended 35-70% of that award. Now, that \$16 million we haven't expended anything because we are using the FY 23 HUD funds that we received of \$1.6 million, is the cash match. You are eligible to submit a waiver request, which we potentially would do as well, so that they can review and decide whether or not our expenditures of our cash match would be considered. We have a couple of ideas for the Wastewater Treatment Plant, potentially the improvements to the wares Out of the plant that need to be done. Potential bar screen, there is some other possible implementation at the Wastewater plant. We have little hurdles that we would have to review over there. The Water Trust Board does require a PER that is less than 5 years old that's been improved by NMED for the process of applying. Our PER at the Wastewater Plant, we have them for 2012, 2014, and 2016. So, it could, depending on what we apply for, we might have to do a small update to our PER. The other thing we've thought about applying for is funding for a PER but for the affluent side of the Wastewater as well, we can put in multiple applications. Regardless of what we decide to submit, on the notice of intent once we meet with management and formulate what the scope and estimated costs are, we submit that in before the 31<sup>st</sup>, but when it comes time for the application cycle, in order to submit an application, we have to come back to the commission with a resolution for you to approve us to submit that application. That would identify the scope of work as well as the costs associated, cash match requirement, and loan required amounts. At this point in time, we're just requesting approval to submit notice of intent and I will stand for questions and turn it over to the City Manager if he has anything to add.

Mayor Hechler: No, that's pretty simple, you're just requesting permission to apply.

**Commissioner Fahl moved to approve the FY26 Water Project Fund (WTB) Application Cycle Notice of Intent. Commissioner Hoepfner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**8. Discussion/Action: FY 25/26 Sub-Recipient Grant Agreement for Matthew 25.**

City Clerk Torres: This is our last subrecipient agreement for this fiscal year. They weren't brought with the last one because they couldn't meet with us, they were on vacation. We met with them, they agreed to everything in the agreement. They initially requested \$9,350 but we did have enough funding to grant them \$10,000 so we're recommending approval for \$10,000 because they do a lot for our community.

City Attorney Rubin: And I approved the contract itself, I'm glad you just pointed out, exhibit A actually says for the detailed scope of work and things they do for us, so I'm in favor of it.

**Commissioner Mitchell moved to approve the FY 25/26 Sub-Recipient Grant Agreement for Matthew 25. Commissioner Hoepfner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**9. Discussion/Action: Approval of the Records Inventory List for destruction.**

City Clerk Torres: In your packet, you'll see that there's a listing of 8 boxes that are ready for destruction. The records are from our Human Resources Department. There was a question that came up as to whether or not the Human Resources wanted to hold onto the hiring and recruitment documents. I checked with the department. Those are just old applications and score sheets, so they said there's no need for us to hold onto them. They are within the records retention schedule, so we can get rid of them. If you approve it, we will go ahead and contact our vendor and get a date set up.

Commissioner Mitchell: Just curious, do we digitize any of those types of records to save for historical purposes or are these documents that are obsolete?

City Clerk Torres: We might have them both in hard copy and in digital copy, but once we do the records destruction, both the digital and the hard copies will be destroyed. Did that answer your question?

Commissioner Mitchell: I'm just curious, when we look back on who was commissioner or who worked for the parks department, that kind of stuff, do we have a record of that anywhere? Or are we literally destroying the last vestige of that information?

City Clerk Torres: There's applications. Say 10 people applied for City Clerk, it's just going to be old applications. We have our personnel files that are separate, we don't get rid of those. We have records of who we do employ, these are just applicants that may have interviewed but didn't take the job or didn't get hired, stuff like that.

**Commissioner Fahl moved to approve the Records Inventory List for destruction. Commissioner Hoepfner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**10. Discussion/Action: Re-appointment of Lisa Kent to the Planning & Zoning Commission.**

City Clerk Torres: All the applicants are current members on our boards. Lisa Kent is on our Planning & Zoning Board. We have Sid Bryan, Jagger (Cary) Gustin, Eduardo Alicea, and Andy Underwood who are members of our Public Arts Board. All of them were interested in re-applying and staying on our boards. We did take it to the boards and they recommended reappointment of all the members.

Commissioner Fahl: That's almost the entire Public Arts Advisory Boards, why are they all coming out at the same time?

City Clerk Torres: It should have been staggered, but I think how it happened is we had some vacancies, and they all kind of got appointed at the same time. I think that's how it happened, it probably should have staggered it a little bit, maybe I can look into it.

Commissioner Fahl: So maybe appoint some of them for 2 years, so that at least we have some continuity. What if they all said, I mean we don't want to lose all of them.

City Clerk Torres: Yeah, I'll go ahead and do that.

**Commissioner Hoepfner moved to approve the Re-appointment of Lisa Kent to the Planning & Zoning Commission. Commissioner Fahl seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**11. Discussion/Action: Re-Appointment of Sid Bryan to the Public Arts Advisory Board.**

**Mayor Hechler moved to approve the Re-Appointment of Sid Bryan to the Public Arts Advisory Board. Commissioner Hoepfner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**12. Discussion/Action: Re-Appointment of Cary “Jagger” Gustin to the Public Arts Advisory Board.**

Commissioner Mitchell moved to approve the Re-Appointment of Cary “Jagger” Gustin to the Public Arts Advisory Board. Commissioner Fahl seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

**13. Discussion/Action: Re-Appointment of Eduardo Alicea to the Public Arts Advisory Board.**

Commissioner Fahl moved to approve the Re-Appointment of Eduardo Alicea to the Public Arts Advisory Board. Commissioner Hoeppner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

**14. Discussion/Action: Re-Appointment of Andy Underwood to the Public Arts Advisory Board.**

Commissioner Fahl moved to approve the Re-Appointment of Eduardo Alicea to the Public Arts Advisory Board. Mayor Hechler seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

**I. ADJOURNMENT:**

Mayor Hechler adjourned the meeting at 6:43 p.m.

Passed and Approved this 23<sup>rd</sup> day of July, 2025.

  
\_\_\_\_\_  
Rolf Hechler, Mayor  
\_\_\_\_\_  
Angela A. Torres, CMC, City Clerk



Valliant  
Consulting Group

# Compensation Study

## City Commission

### Report

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July 23, 2025

Presented by Valliant  
Consulting Group



City of Truth or Consequences Compensation Study

# Agenda

2

- Review of project deliverables
- Review of key concerns
- External market determination
- Internal structure recommendation
- Cost and compression analysis
- Requests for Review
- Policy evaluation
- Implementation
- Questions



# Project Deliverables

## Review current state

- Confirm compensation philosophy
- Evaluate current system, structures and policies
- Compile a Master Listing of positions to be included

## Conduct market review

- Define relative labor market
- Collect market data
- Ensure FLSA alignment
- Create/update compensation system to reflect market rates

## Prepare for implementation

- Calculate estimated costs
- Review impact on compression
- Recommend policy revisions, implementation plan and system maintenance

## Support communications

- Ensure effective and ongoing communications to stakeholders at all levels of the organization



# Key Concerns Addressed

- Desire for greater market responsiveness and internal consistency
- Eagerness to pay a livable wage
- Desire to become premiere employer-of-choice

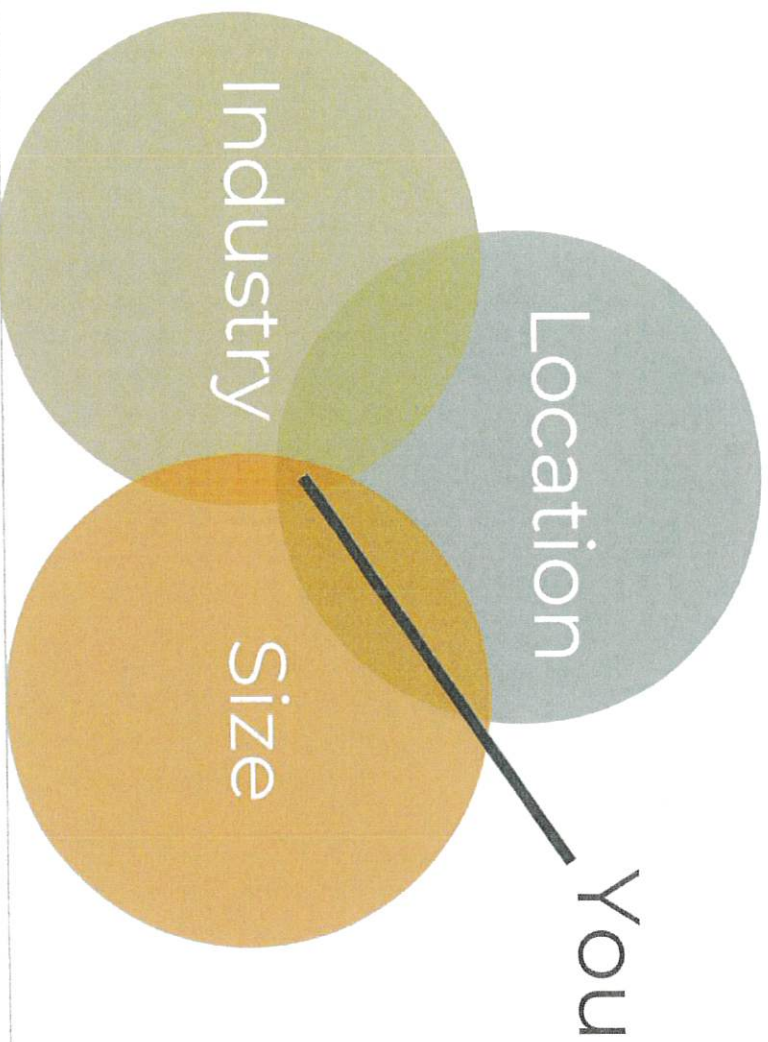
# ... — Study Objectives — ...

**An effective compensation system  
balances an organization's need to  
be externally competitive and  
internally consistent.**





# Defining Market



A key to market research is to define your market.



# Market Determination

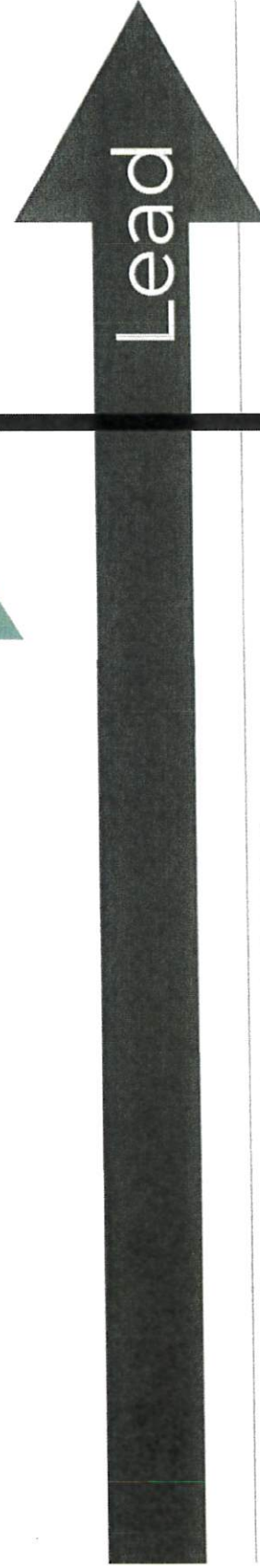
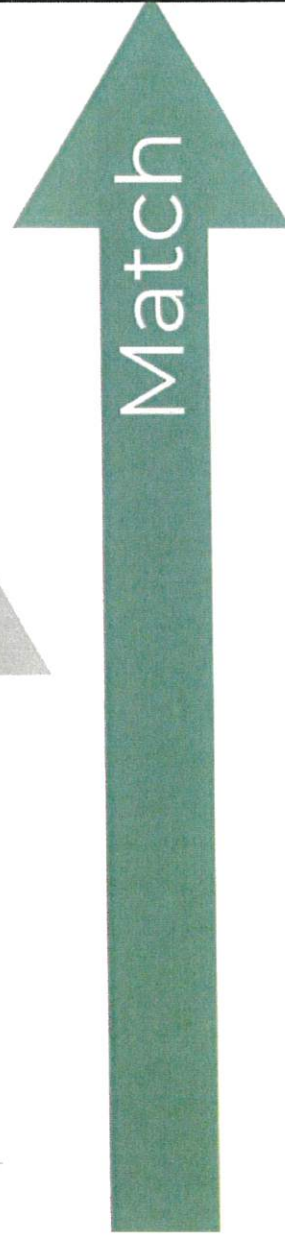
## Salary Surveys

- Bureau of Labor Statistics
- CompAnalyst
- Department of Labor
- EACR Non-Profit Organization Salary Survey
- Economic Research Institute
- O\*Net Online Database
- World at Work

## Comparable Employers

- Job postings for comparable positions
- City of Aztec
- City of Hobbs
- City of Raton
- Sierra County
- Town of Edgewood
- Town of Taos
- VCG's confidential database of salary sources, including other New Mexico municipalities

# Strategy

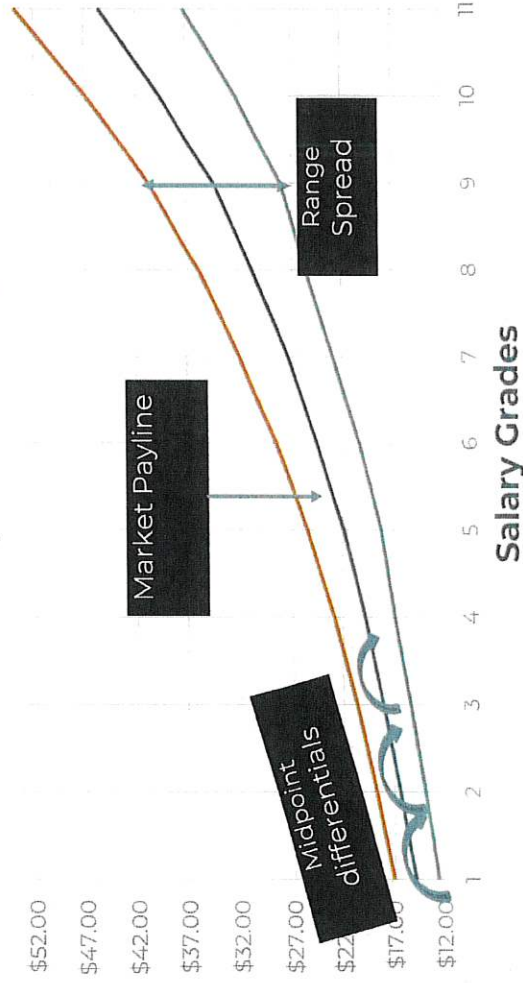


MARKET

# Wage Structure Design

VCG recommends establishing a new structure, which aligns with industry best practices and supports the City's ability to recruit and retain talented staff.

Valliant Compensation Highway





# Wage Structure Design



VCG recommends establishing a new structure, which aligns with industry best practices and supports the City's ability to recruit and retain talented staff.

| Grades   | Range Spreads | Midpoint Differentials |
|----------|---------------|------------------------|
| NE1-NE5  | 40%           | 10%                    |
| NE6-NE10 | 45%           | 12%                    |
| E1-E3    | 45%           | 12%                    |
| E4-E6    | 50%           | 15%                    |



# Salary Structures

## Non-Exempt

| Grades | Minimum |             | Midpoint       |                    | Maximum |             |
|--------|---------|-------------|----------------|--------------------|---------|-------------|
|        | Hourly  | Annual      | Hourly         | Annual             | Hourly  | Annual      |
| NE1    | \$13.25 | \$27,560.00 | <b>\$15.90</b> | <b>\$33,072.00</b> | \$18.55 | \$38,584.00 |
| NE2    | \$14.58 | \$30,326.40 | <b>\$17.49</b> | <b>\$36,379.20</b> | \$20.41 | \$42,452.80 |
| NE3    | \$16.03 | \$33,342.40 | <b>\$19.24</b> | <b>\$40,019.20</b> | \$22.44 | \$46,675.20 |
| NE4    | \$17.63 | \$36,670.40 | <b>\$21.16</b> | <b>\$44,012.80</b> | \$24.68 | \$51,334.40 |
| NE5    | \$19.40 | \$40,352.00 | <b>\$23.28</b> | <b>\$48,422.40</b> | \$27.16 | \$56,492.80 |
| NE6    | \$20.91 | \$43,492.80 | <b>\$25.61</b> | <b>\$53,268.80</b> | \$30.32 | \$63,065.60 |
| NE7    | \$23.41 | \$48,692.80 | <b>\$28.68</b> | <b>\$59,654.40</b> | \$33.94 | \$70,595.20 |
| NE8    | \$26.22 | \$54,537.60 | <b>\$32.12</b> | <b>\$66,809.60</b> | \$38.02 | \$79,081.60 |
| NE9    | \$29.36 | \$61,068.80 | <b>\$35.97</b> | <b>\$74,817.60</b> | \$42.57 | \$88,545.60 |
| NE10   | \$32.89 | \$68,411.20 | <b>\$40.29</b> | <b>\$83,803.20</b> | \$47.69 | \$99,195.20 |



Valiant  
SCHOOL DISTRICT

Valiant School District is an equal opportunity employer.

# Salary Structures

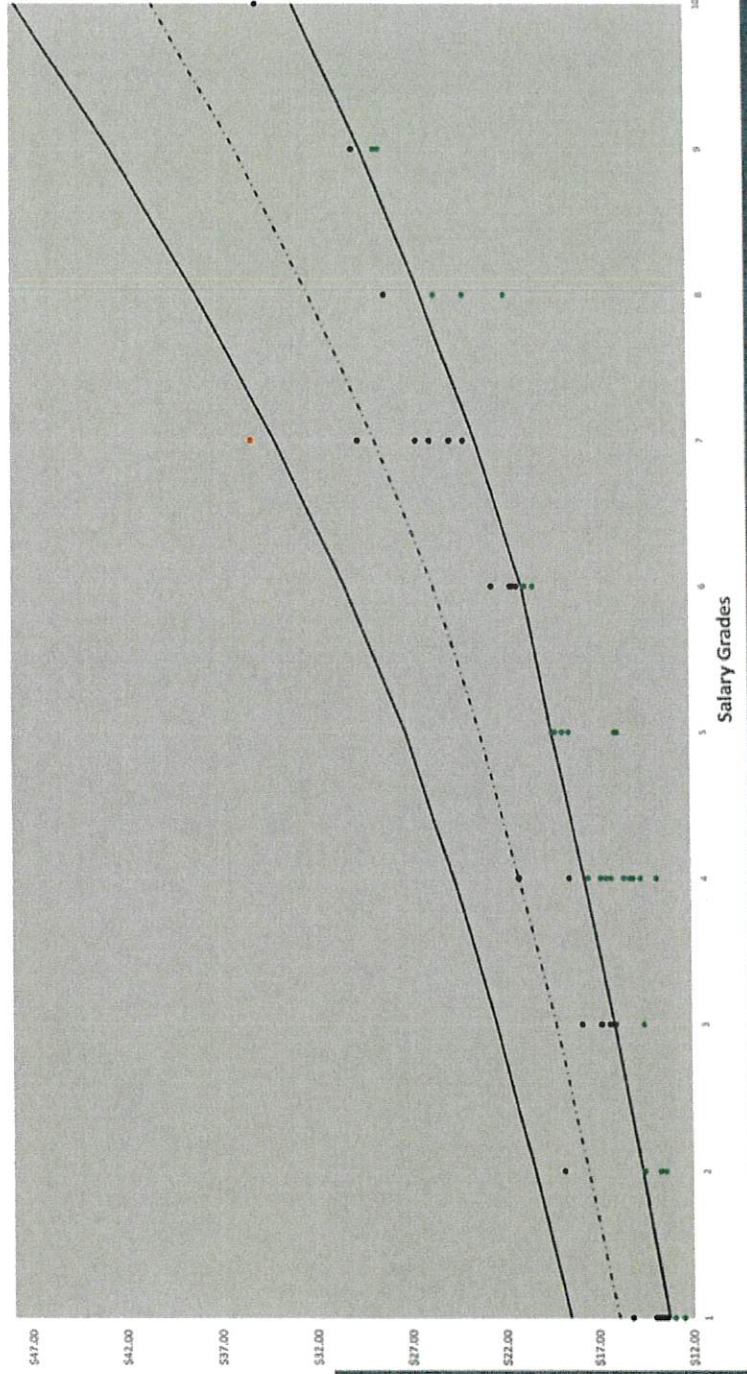
## Exempt

| Grades | Minimum  | Midpoint         | Maximum   |
|--------|----------|------------------|-----------|
|        | Annual   | Annual           | Annual    |
| E1     | \$54,539 | <b>\$66,810</b>  | \$79,082  |
| E2     | \$61,083 | <b>\$74,827</b>  | \$88,570  |
| E3     | \$68,413 | <b>\$83,806</b>  | \$99,199  |
| E4     | \$75,090 | <b>\$93,863</b>  | \$112,635 |
| E5     | \$86,354 | <b>\$107,942</b> | \$129,531 |
| E6     | \$99,306 | <b>\$124,133</b> | \$148,959 |



# Compensation Highway

City of Truth or Consequences - Non-Exempt Compensation Highway

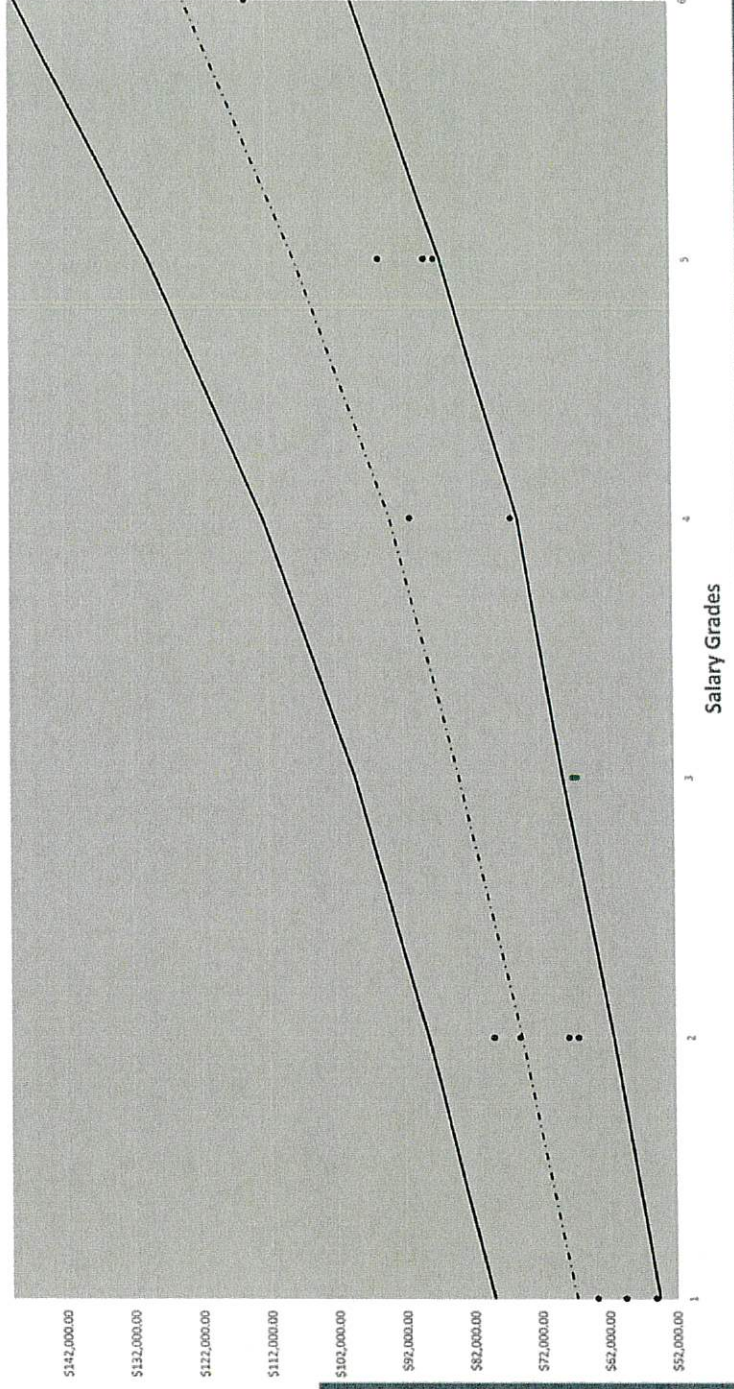


City of Truth or Consequences Compensation Study



# Compensation Highway

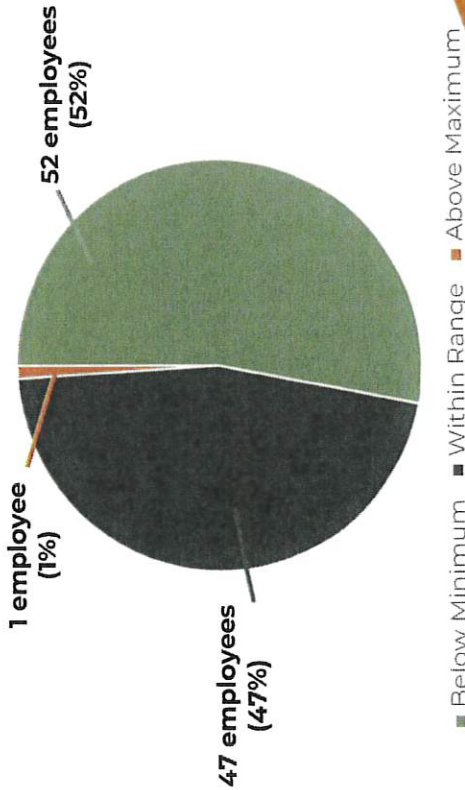
City of Truth or Consequences - Exempt Compensation Highway



City of Truth or Consequences Compensation Study



# Cost Assessment



| Estimated cost to increase employees to minimum of range |                |                     |
|----------------------------------------------------------|----------------|---------------------|
|                                                          | Estimated Cost | Average Compa-ratio |
| Non-Exempt                                               | \$106,360.80   | 85%                 |
| Exempt                                                   | \$3,435.60     | 89%                 |
| Total                                                    | \$109,796.40   | 86%                 |

2.46% of payroll

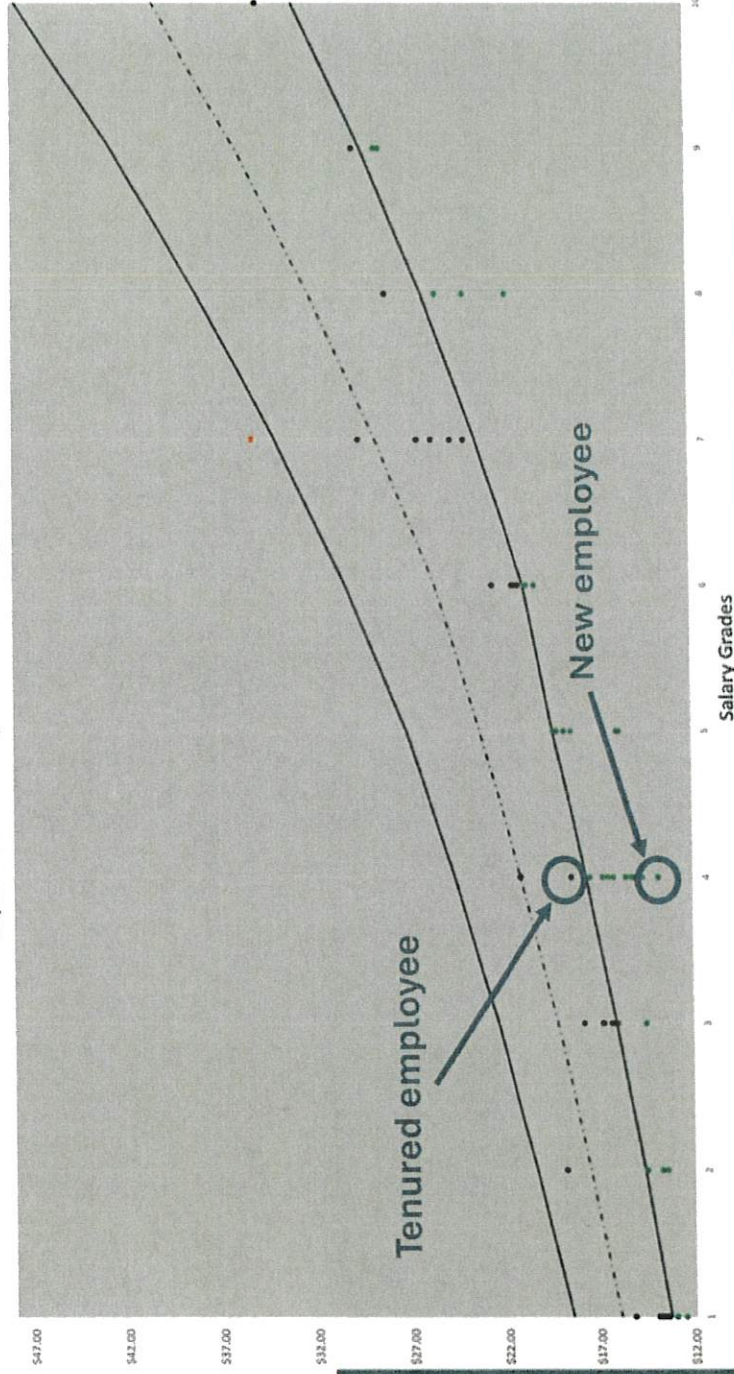
All cost estimates are based on base-pay only and do not account for additional costs, such as fringe.





# Compression Risk

City of Truth or Consequences - Non-Exempt Compensation Highway



City of Truth or Consequences Compensation Study



# Cost to Mitigate Compression

|            | Additional Cost to Address Compression | Total Estimated Cost | Average Compa-Ratio Achieved |
|------------|----------------------------------------|----------------------|------------------------------|
| Non-Exempt | \$134,669.60                           | \$241,030.40         | 89%                          |
| Exempt     | \$67,138.73                            | \$70,574.33          | 93%                          |
| Total      | <b>\$201,808.33</b>                    | <b>\$311,604.73</b>  | <b>90%</b>                   |

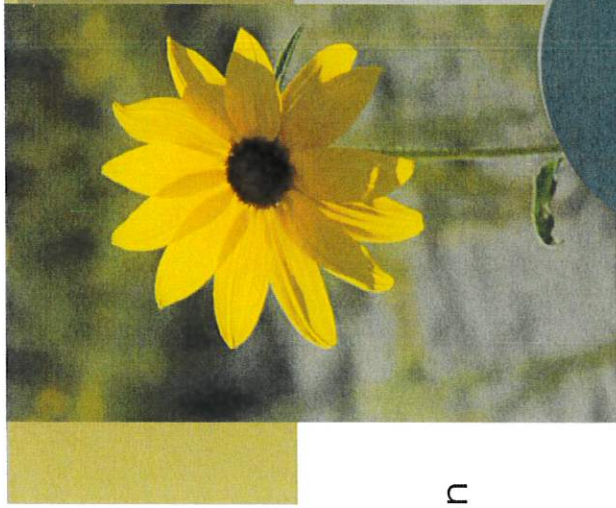
6.99% of payroll

Compression assumes an employee with **8 years in position** should be paid at the market-aligned midpoint.



# Requests for Review

- Opportunity to provide feedback on questions, concerns or corrections needed
- Extensive evaluation conducted to ensure alignment internally and with market
- Thorough documentation provided capturing assessments



18

11  
Requests

# **Policy Evaluation**

VCG recommends adopting policy to will support market-based pay practices.  
Recommended additions include:

Updating language  
referencing the salary  
structure's design to align  
with recommendations

Guidance on how the City  
will maintain the structure  
over time

Adding language regarding  
job descriptions and cases in  
which an individual may be  
required to perform duties  
not captured

Adding language  
regarding compliance with  
the Fair Labor Standards  
Act (FLSA)

Recommending  
opportunities for merit-  
based increases

Adding language pertaining to  
placements for New Hires,  
Promotions, Transfers,  
Demotions and  
Reclassifications



# Implementation



## Approve

- Determine if it is economically feasible to implement the recommendations
- Approve structure



## Prepare

- Assess the timing and method for addressing employees paid less than new grade minimums.
- Identify date for implementation
- Determine resources needed (e.g., payroll dates, forms, etc.)



## Implement

- Train managers
- Communicate to employees
- Implement new structure
- Implement increases to minimum
- Prepare for compression increases



## Maintain

- Monitor employees paid over maximum
- Review/adjust structure every 12-24 months
- Utilize salary calculator
- Benchmark every 2-3 years





# Questions?



Thank you for entrusting  
Valliant Consulting Group  
with this important effort!

