

**CITY COMMISSION MEETING MINUTES
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO
CITY COMMISSION CHAMBERS, 405 W. 3RD St.
WEDNESDAY, FEBRUARY 25, 2026**

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. Destiny Mitchell, Mayor Pro-Tem
Hon. Amanda Forrister Commissioner
Hon. Ingo Hoepfner, Commissioner
Hon. Chaz Glines, Commissioner

Also Present: Gary Whitehead, City Manager
Traci Alvarez, Assistant City Manager
Jay Rubin, City Attorney
Angela A. Torres, City Clerk-Treasurer
Jocelyn Holguin, Chief Financial Officer
Luis Tavizon, Chief of Police
Tara Manning, Animal Shelter Supervisor

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

2. SILENT MEDITATION:

Mayor Hechler: I just wanted to announce that the funeral services for Cookie Johnson are going to be on Saturday at 10am at Our Lady of Perpetual Help, if anybody would like to attend. It's open to everyone so please do so. Let's remember her and her legacy in the next fifteen seconds, please.

Mayor Hechler called for fifteen seconds of silent meditation.

3. PLEDGE OF ALLEGIANCE:

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

4. APPROVAL OF AGENDA:

Commissioner Forrister made a motion to approve the agenda moving item H2 before item H1. Mayor Pro-Tem Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

5. COMMISSION COMMENTS:

Commissioner Forrister: We had the Jordan's Way fundraiser today at the Animal Shelter, and I decided to bring some 4H kiddos there so that I wouldn't have to volunteer as tribute, as our fellow Commissioner had to get his legs waxed today. I got out of there just in time before it got sketchy, but it was a really fun event. The kids had a really good time, they locked some of the kids in the kennels and they had to call grandparents, parents, and family, to help them get out before they had to eat a nasty jelly bean or a black scorpion, and I think Tara, at this moment, is up to raising \$7,400 for our Animal Shelter, so that's really great.

Commissioner Glines: Good afternoon everyone, good to see the seats filled and people actively engaging with us here this afternoon. I have a couple things for my report today, I spent a good amount of time with City Manager Whitehead on Tuesday the 17th, doing a city tour and meeting with the people and departments that make the city go. Thank you to everyone actively working for the city and what you do for us, especially those with jobs that would be considered undesirable by some. I gained perspective and initiative all in a lengthy afternoon, I still have my departments to visit and people to meet, I have to finish before my 100 days. I've completed a 500-person poll of voters in the city, and I have results from it to report this afternoon. Thanks to everybody that participated. I gained perspective and initiative from it as well. The poll was simple; upon listening to residents about what matters most in our community. What issues do you think should be our top priority? I tiered it into three different sections to break it down. I got about 400 results:

- Water infrastructure was number 1 – constituents report significant frustration in the current state of water delivery systems, they observe frequent leaks and aging pipes that threaten the reliability of the potable water supply, residents feel the local government focuses too much on long-term planning while neglecting visible daily maintenance. The gap between planning and action creates a sense of urgency among the public. Beyond basic repairs, the community expresses concerns about how existing water resources will support new housing developments. These messages indicate that the public views water security as a fundamental responsibility of local government.
- Road maintenance and repairs was number 2 – constituents report the local roads are deteriorating rapidly, creating safety hazards and damaging vehicles. They express frustration with the perceived lack of progress, noting that planning efforts have not resulted in visible improvements to side streets or neighborhood infrastructure. Specific concerns include the inequality of unpaved gravel roads in established residential areas; as well as the presence of water leaks and potholes.

- Number 3 was traffic safety measures – constituents report dangerous driving conditions across several local streets, specifically highlighting excessive speeds and difficult navigation of the downtown corridor. Many residents feel that the current road configurations, such as reduction of lanes downtown, have made driving more difficult without providing the promised safety benefits.
- People are also frustrated by neighborhood blight caused by abandoned or wrecked vehicles left on public streets, which they believe degrades the community and complicates traffic flow. These messages indicate a need for the city to re-evaluate street designs and commit more resources to traffic law enforcement. I have a bunch of comments, I won't read those now, but I can get those out. This is an incomplete poll, a small sample, and is nothing this Commission and the City Manager has not already heard. I would like to say that a lot of these issues are being actively faced and progress is being made at a rapid pace. I'm looking forward to running this poll a couple years from now to really challenge what we're doing today. I'm also looking forward to running more polls here soon and just targeted focus ideas of what we need to hear from you all. While I have this galley full, I'd like to address things I've seen online with a statement: every Commissioner has an email and a phone number, we are local elected officials, and your voice should be heard by us. Please reach out to us, emails preferred by myself, but we have all contact info available to you at any time. Thank you.

6. STAFF COMMENTS:

Tara Manning, Animal Shelter Supervisor: Today was the big day, Jordan's Way came in, and we had so much fun. There's pie, eggs, slime, I have everything on me. So far our total is at \$7,600 raised in three hours. The fundraiser is still going, hopefully we get more in. We're super excited, but it was a lot of fun, a great turnout, and I appreciate everyone from the community that came, the Commissioners, the Mayor, OJ Hechler came in, it was probably the best turnout we've ever had. It was a complete blast, and I appreciate everyone for showing up. If you think I'm crying, I'm really not, it's whipped cream that's still stuck in my eyes. I'm sorry if I smell, and don't mind the appearance. Thank you so much for everyone that came and everyone that supported the shelter, it meant a lot to us.

Commissioner Forrister: If you guys didn't see it online, it was a live event. Tara's dedicated, I saw her put peanut butter on her face, including her lips, and a dog lick it off.

Tara Manning, Animal Shelter Supervisor: I actually had a peanut up my nose earlier.

Commissioner Forrister: It was great, so much fun to be a part of.

Tara Manning, Animal Shelter Supervisor: It was, thank you for coming. I appreciate it.

CITY COMMISSION FEBRUARY 25, 2026 REGULAR MEETING MINUTES

Mayor Hechler: Wonderful job, Tara, way to get our community involved and everybody excited. Every year it gets bigger and better. I keep on wondering what we are going to do different, and it gets more exciting every year. You're doing a wonderful job.

Tara Manning, Animal Shelter Supervisor: Thank you, it means a lot to me.

City Manager Whitehead: I have a couple things. It's good to see a good turnout from the community here today. I'll keep my report simple, as I try to do here. Things remain really busy for us, I really appreciate the time I got to spend with Commissioner Glines, we'll continue to do that. We have another half day planned, I think it's important. What I will share with the public, as they're here listening and get to see Tara, it's a vision and it's the hope that we create that much enthusiasm amongst all the departments in the city. It shouldn't just be something that's one department, we have to keep working every day to get that pride factor back, and get everybody to pitch in and make sure that we're putting our best efforts forward. I appreciate the poll and the information, again, it's not surprising, I hear that. The staff will come in and say, "Boy we're getting a lot of comments about water leaks." And I say, "Yeah because we have a lot of water leaks." That's a fact, so we'll continue to work hard on that. The progress is going well, our first water project is moving along really fast. I will let you know that today we hosted a very good meeting with the school system. We recognize that the school went through a tough situation where we had a valve that was turned off in the system, and they didn't have proper water pressure to keep the restrooms up, so they had some days a couple months ago where they had to shut the schools down. We've met with the schools, we're committed to doing everything we can to make sure that the water system, when we're doing renovations, doesn't create a situation where they have to send kids home. We recognize that's hard on the kids, it's hard on education, and it's hard on the families that have to deal with that situation. Our engineering team has mapped out some strategies, and we'll remain connected to the schools as we go through this process so we don't have them spending unnecessary dollars, and we make sure that we are working hand-in-hand to get that accomplished. The last thing I'll report, I might steal your thunder, but the legislative session closed. We did a lot of hard work, we took the Commission up, we were able to receive funding and it looks like, if the governor signs it, we'll have \$500,000 to invest in the Lee Belle Johnson center. The vision there would be that we go in and we re-form and restructure the foundation, that's the focus, so that we get that building reopened. We also received \$370,000 for the design and construction of Marie Street, so we'll begin that process, which will help us get that dam recertified, potentially get some sidewalks, and start getting that paving done. I recognize those comments, and we were pretty successful there. Other than that, I would stand for any questions from you guys. If not, we're good to go here.

Mayor Hechler: Since you opened the door, so we were successful at the legislative sessions, as Gary just described. I was disappointed in the governor's office, we didn't get any capital money from the governor's office, so that was a let down, but then things happened, and we were notified, about a week ago, that we received funding from Ben Ray Lujan and Representative Vasquez in the form of \$1,092,000 for the Clancy Street project. This is a project we've been chasing down since 2024. It was funded in 2025,

then the federal government had some shutdowns and it was delayed. It's a project that should take place in 2026. That's the good part. The bad part is that we went after it in 2024, and I'm sure prices will change. I'm sure we'll have to find some extra money, but we have a start on it. But this will give us the basis to apply for additional revenue, and I think we'll get it fully-funded, so this is a good start. The other thing that happened was that we received \$1,075,000 from Senator Heinrich under similar circumstances, and that is for water infrastructure. That will be added to the \$50 or so million we are already juggling up in the air, trying to get spent. So those are two pieces of good news, I think that will help our community down the road. I was going to announce that next time, but since you started it, we might as well finish it.

C. PRESENTATIONS:

1. Joint Powers Authority Structure and Regional Collaboration. Patrick Pharris, PreReal Investments.

Mayor Hechler: Let me preface this item by saying this: This is a presentation only. We chose not to make it an action item, which means we won't be making any decisions today, because we want to hear from our constituents on what their feelings are, and then after today, we'll weigh what is said during our public comment, and we'll have further meetings with our leaders in our community, whether it's the City of Elephant Butte, or Sierra County, or Williamsburg, and we'll have further discussions. Before any decisions are made, we'll make some public announcements as well, and we'll do it in the light of day so everybody knows what's going on. I think that's as fair as we can make it.

Patrick Pharris, PreReal Investments presented. A copy of the presentation is attached hereto, and made a part hereof.

Commissioner Glines: I appreciate the effort to address Sierra County's anticipated growth, but I must express serious concerns about the proposal for the gateway alliance as presented. The materials, both on the screen and in the agenda packet, are incomplete and fall short of what is required for a matter of this magnitude involving public and private partnerships. Most noticeably, it lacks any references, cited sources, or studies to support its claims, particularly of the population economic projections on the early slides. Without verifiable data, these figures raise legitimate questions about credibility. For context, the January 28th Wayfinding presentation on road signs was detailed, sourced, and thorough. I feel like this whole presentation is unfinished, especially for joint consideration by Sierra County's four governing bodies. You said it's a non-profit, but it's a 501c6 structure, which is an entity designed to promote common business interests with a specific industry, not to deliver broad public services. The SGA aimed at directing services to fund to the public at large seems misaligned with the IRS guidelines for 501c6 organizations. Research shows that mutual partnerships can help 501c6 access public funding eligibility, bridging private interests in government resources. However, on slide 15, page 18 in our packet, says that the SGA board includes one representative from each participating municipality, which would explicitly prevent those municipal governments from holding majority. Combined with visuals

depicting funds flowing to the SGA, an alliance position above government entities, the structure suggests control of our public dollars could rest primarily with a non-elected, which is a major concern for me, PreReal and appointees, rather than local elected officials, being in control of our public dollars. I'm uncomfortable with a private entity akin to a Chamber of Commerce, overseeing public funding reserved for municipalities. 501c6 does enjoy tax-exempt status, they can be considered non-profit, but they have rights to lobby, engage in political activities including supporting our opposing candidates. They can run advertising campaigns, they can form PAC's (Political Action Committees). With elected officials and potential future candidate serving on the SGA board and potentially influencing public fund allocation, it creates apparent opportunities for conflicts or loopholes, especially in a politically-charged environment, where, aligned with powerful stakeholders including access to the governor's office could influence decisions. Why should PreReal and T or C join a joint powers agreement with a PreReal-initiated 501c6 that seats sole grant execution authority to other municipalities, and then to the SGA, where we hold no majority voice? What benefits would we gain that outweigh these concessions? Would any connection to higher offices through SGA or PreReal truly serve our constituents first? I'm not opposed to the SGA's creation in principle, I recognize we need every resource possible for growth, growth is coming, but the current format for local government interaction, funding oversight, and control, doesn't inspire confidence, that's why everybody's here right now. If T or C declines to participate while the three other entities join, we risk being placed into direction competition with a unified block against us. It's full-scope, I think it needs reworking, more detailed sourcing, clear government safeguards ensuring public accountability, majority of municipal influence where public funds are involved, prioritization of local constituents over private interests (including PreReal's investments in related entities), and transparent analysis of risk and benefits for each community. Convince us and the public watching that the advantages far outweighs the cost, provide a painfully thorough, fully-documented version that addresses these concerns head-on before any vote is expected, at least for my seat. We need help, and we welcome thoughtful partnerships, but the price for participation must demonstrate benefits for every resident of Truth or Consequences. Sierra County comes first, not at their expense. Thank you for your time to hear these concerns, I look forward to a stronger presentation.

Patrick Pharris, PreReal Investments: Terrific, that's great. Let me try to address, I think you had 9 questions in there, I'm going to try to get each one of them one by one. So you need to understand, I would like to ask you to please understand how this process came together, because many of you may not know. Mayor Hechler, myself, Mayor Holcomb, and Chairman Paxon sat down together, and I said, "Hey guys, why aren't you working together? Why have you not met? Why do you not have one strong voice? Why have you not embraced private sector?" and please understand, this is not a PreReal initiative. There are 5 private entities who've agreed to this already: they are Turner, Spaceport Virgin, PreReal, and the Marina. So, I wanted to make that part clear. The next part is, you said that this presentation falls short of a formal presentation. Of course it does. The first meeting was with the mayors and the chairman, the next meeting was with – actually the first meetings were with the private sector to agree, then it was with senior elected officials, then it was with city managers, then it was with

leader Gail Armstrong, senator Brantley, and state representative Dow. Got together with them and they said the same thing the mayors did, which was, "Yes." I'm not going to use the word consensus, I got in trouble for using that last time. We had an agreement in concept, and I asked the mayors, "Can I go around and ask other people and say that we have spoken?" Right, Rolf?

Mayor Hechler: Yep.

Patrick Pharris, PreReal Investments: Okay. Then I met with a few council members who I knew, or had been introduced to. I haven't met the three of you, Amanda, we didn't meet together, but I know you. So I went, "Hey gang, here's the big picture, what do you think?" and they went, "Wow." There was one elected official who literally said, "We don't think this big. We don't have the experience to implement these kinds of programs." Okay, great, well guess what, we do. And we're asking for help, we're not asking for money, this is not a handout. So with this presentation, Commissioner, it is in concept. We have had no feedback from any Commissioner whatsoever to say, "Hey guys, great idea. Let's go have a cup of coffee and talk about some of the kinds of things we'd like to see." This is the first presentation. You all, as a next step, need to get together internally, and say, "Huh, okay it might be a good idea." Like you said, you're not against it, "I want more information, give me that information Pat." Great, we can do that. Your next step is to talk to the other city and the county and say, "Hey what do you guys think? We partner up on this thing or you want to totally blow it off?" it's whatever you want to do. We do not have to do this together. It doesn't have to happen, it doesn't need to come together, but we wanted to at least come to you and say, "Hey guys, the business is coming. Should we prepare for it?" it's not a build it and they will come, it's a they will come, are we prepared? Your other question was a 501c6, I believe it was inferring the difference between a 6 and a 3. They are two different structures of non-profits, one can be retained to implement a product, much like a Chamber of Commerce, and one cannot. One structure can have everybody on the same board, one structure cannot. If you do the JPA, it must be completely arms-length from the alliance, by law. You can't be on our board, we can't be on your board, legally. There was another question you asked, I'm so sorry, I'm just trying to get to the top of it so that your constituents can hear quick answers to the quick questions that came off of Chat GPT or whatever it was, which was great because you have to write the asked questions. You guys, it's a brilliant thing to use, it's a fantastic tool, and you should use it because it expedites your time. Were you the person that wrote the other one that said, "Hey this is written by AI as well."? You guys, there are technologies that are available to us today, to maximize the use of our time, human resources, financial resources, and you should use them. They're there. You're right. Sorry Chaz, I'm not too far off, though, right? But it's okay. There was another question too, I'm so sorry.

Commissioner Glines: Which one did you want me to read?

Patrick Pharris, PreReal Investments: I don't know, there's a whole bunch of them. How about we do this, go ahead and email them to me and I'll respond to them, that'll be great.

Commissioner Mitchell: The only thing I was really concerned about, and Chaz brought it up too, was that our voters elected us to be the voice and the stewards of their money, and if we, then in turn, put another layer on top of us between that money, we are not speaking for them. So my main concern is, as long as we do everything transparently and in the open, and they have a say in what money we get and goes to what project, that's my concern. We're all sitting up here because of all of them. We have their trust and we want to make sure that we have their vote if we move forward with anything in the future, which is why we ask for public input, and for a chance to weigh the facts and make a decision.

Patrick Pharris, PreReal Investments: Destiny, I think that's fantastic. You and I talked about this during our lunch meeting, we talked about it on our phone calls, and that's part of the reason why there are two structures. The Joint Power gives you 100% control. Period. The other structure, whatever you want to call it, gives you board approval, but no one entity is going to have total control. Period. You can't do that. It won't work. That's like saying "We're trying to build a destination so this city should get 10 votes and this city should get one vote and this county should have one vote." that's not how you come together and build a destination for a year-round economy, which is what you are going to need.

Mayor Hechler: I've got a couple of questions. I'll just be honest with you, Patrick, this scares the hell out of me. We like our small-town atmosphere. We like being comfortable, and this scares us. Whether it's coming or not, I don't know if we have any control over it, we hope that we do to some degree. So here's my concern, and I am the one that said that if we agree on something, we're better together than we are apart, but we need to agree with our sister municipalities, we need to agree with the county, and we need to be on the same page. So the next thing that has to happen is, I meet with my counterparts, the same people that run the other entities, and see what consensus that we can build. There's no offense, I'm a little scared about having outsiders coming in, and I call you outsiders, I've been here for 40 years, and I'm an outsider sometimes, it's a little scary. We like to be in charge of where we're going, ourselves, we like to be able to figure those things out, I'm not saying we can't do some things together, we probably can, but we are stronger together, like I said, and we have to figure out what those things are. We have a tremendous infrastructure need.

Patrick Pharris, PreReal Investments: Yes you do.

Mayor Hechler: And if this is a means to help us improve our sewer plant, fix our water lines, build a rec center, those are important things for us. I'm sure every other community has the same concerns, whether it's the sewer plan for Elephant Butte and the expansion, if it's development of another transfer station for refuse, we know that our particular sanitation station is undersized and I don't know if it's going to handle it. We're going to have to expand over the next two years, what does that look like? How are we going to get that done? So there are some things that we can – I won't use the word alliance – but I will say that we can partner with our other community friends, and

figure those things out that would improve the lives of everybody in our county. Those are the things that we can focus on. I'm a little leery about getting painted into a corner, and being contractually obligated to an alliance, and doing some of those things. Here's one statement that's cares me, it's in your presentation, "County and municipal governments may independently pursue grants, provided such grants do not conflict with or duplicate programs planned or implemented by the Sierra County Gateway Alliance." We've had luck.

Patrick Pharris, PreReal Investments: You've done a great job.

Mayor Hechler: We've done a good job getting our money. I don't want to jeopardize that through the formation of an alliance. I've been to Santa Fe three times in the last three weeks, our Commissioners have been twice, our City Manager has been twice, and we rattle those doors. We talk to our folks. They're supportive of us. If we figure out how to get that done in a better way, and we figure out, specifically, what those things look like, we'll bring that to our people, and we'll see what happens. So, I'm not dissing the alliance, but I want to make darn sure we have a good way to get this thing done, and that we don't get hurt by it, or we don't get painted into a corner. That's my two cents.

Patrick Pharris, PreReal Investments: That's very fair, Rolf. That's why we're here today, is to say, "Here are two ideas. If not this, then what? If not now, then when? And if not us together, then who?" These are important questions to ask yourselves, and we need to look at things like: our population is decreasing, our average age is getting older, and we – business leaders, political leaders, and community leaders – need to say, "Hey what do we want to do? Do we want to give our kids hope? Do we want to create jobs? Do we want to create prospects for future? Or do we just want to be the way we are?" and that's okay too. There's nothing wrong with that, if that's what everybody chooses to do, leave it alone, walk away, we're friends and we'll have coffee tomorrow. That's it.

Mayor Hechler: Well you certainly got all of us thinking.

Patrick Pharris, PreReal Investments: And talking. Remember on our first meeting, I said, "Guys, we've just got to start talking. Nobody's talking together." Now people are thinking, and when you see engagement at the levels that have been on social channels, let's just say it's 30 comments, and the only one I think that was complimentary of the concept, was the one about my beautiful teeth, which is okay, it made my wife happy. I think that's okay. Everybody has needs and desires, everybody has fears and uncertainty, and it needs to be voiced to figure out what the heck you want to do, if anything at all.

Mayor Hechler: Thankyou for that. Like I said, you got us thinking. I'm a little bit put back in that we didn't have an informal alliance with our sister communities. If this does anything, it gets us talking with them, because when we share our resources with our

sister communities, we're all stronger for that. We all have similar situations that we need to work through, so you've got that dialogue started.

Patrick Pharris, PreReal Investments: Thank you, it wouldn't have happened if it wasn't for the first breakfast. So thank you all very much.

Commissioner Forrister: I have a few comments, I think they bring up valid points. I think if we ever move forward with something similar to this, it would be nice to get all the entities that you talked to; the county, Virgin, all of us, to sit down and see what that looks like for us, an alliance. And yes, we should be working together in that sense. I don't know if this is that answer or not. My other question is, are we paving the way, or is this being implemented some other place? And what does that look like?

Patrick Pharris, PreReal Investments: To answer your first question/comment, yes. We definitely need to all get together, but right now the ball's in your court to say, "Hey Pat, what you showed us doesn't work. We need more information." Great. "We need to talk to each other and figure out what the heck we want to do." Is it a public/private partnership? Is it a corporation or an LLC or a JPA or a JPC or whatever you want to call it?" There are so many structures, we're just the first guy to throw it on the table to say, "Hey what do you think of this?" so I think that's a really positive first step. The next question is: is this going to move ahead without you? There are people with hundreds of millions of dollars invested in this community that have to market themselves. Does it mean we're not going to do it with or without you? We're going to market our properties, I mean we didn't come here to give it away. So we're going to be building the economy no matter how you look at it, and hopefully that's a good enough answer because we haven't gone further than this to say, "Let's do it this way."

Commissioner Forrister: Fair.

Mayor Hechler: Any further comments?

Commissioner Hoeppner: I have a couple. My motto is "together we can make a difference."

Patrick Pharris, PreReal Investments: That's a great motto.

Commissioner Hoeppner: I'm for building our community. Yes, the different villages and towns have to come together, talk to each other, and have open plans that we are moving forward with together. I think it's a good idea to form an alliance between the cities. We are all representing the voters. Our citizens. I am answering to my people who are sitting here. They elected me so that I can represent them, and I would like to move forward. I see the growth, I see that we have to prepare for the future expansion, but I want to do it in a good way, in a positive way. The difference here between your organizations and us is that we are elected. You are answering to shareholders who want to maximize profits and see money, and they don't care who's hurting or left behind. They don't care. If you have an idea as a visionary, there is the county that we

can invest in, it has the potential to blow up and make you money. That is what I feel the main purpose and driving force is for some investors. Yes, there are millionaires out there that do a lot of good, don't get me wrong that I'm putting everybody in the same hat, but at the end of the day, I'm here to protect our way of life. Yes, we are ready to move forward, but we want to do it in a healthy way. There are people who have built this city, including families who grew up here and invested in the town for many years. I didn't even hear one name of those families mentioned in the joint effort. I have respect for them, they are one of the pillars of this community next to all small business owners and everybody who lives here, puts their energy in, nonprofits, volunteers, everybody. I want to make sure that nobody who put their blood, sweat, and tears into this community already, is left behind at the end. I don't want anyone to be forced to move away because they can't afford to live here anymore or have their business here anymore, for the purpose of maximizing profits. I understand and I'm happy that outside investment is coming, but I always keep in mind that the people who grew up here, the farmers and ranchers, they were here first. In the future, please keep them in mind, they care about this community.

Patrick Pharris, PreReal Investments: That was a brilliantly state point of view, and thank you very much for that, I think it's really important. I heard you say, correct me if I'm wrong, "I want to move forward with something like this." Not exactly what I'm showing you here, "And I want to make sure that it supports our constituents." You're the only one who knows your constituents on a personal level, and you can speak with them and say, "Hey guys, what do you want?" They're here, and you're going to hear in a minute. I think the next part of that is because it was mentioned that I am the executive vice president of PreReal Investments, and that is a fact, and I am the creator of the alliance, my idea, my attorneys, the whole thing. It's important for everyone to realize there are no shareholders in PreReal Investments. Everything that has been purchased here has been purchased with the cash of James Prendamano and David Berman. All the money that we spent with great things, like 4H, the holiday event, which we sent hundreds of thousands of dollars on, I could go on and on and on. That's out-of-pocket money, there are no shareholders. People who do have shareholders, even Peter's marina at the lake, out of his pocket. Virgin is a public company, Spaceport is a state-owned entity, Copper Mine is a public company, so yeah, they'll make a lot of money, but the important thing here to recognize is we're not leaving you alone. Let's explain what that means, there will be many, many jobs created. Those jobs will be higher-paying than the average household here, considerably higher. There will be programs put together, that have already been put together, that will benefit the hospital, emergency services, there's a lot to consider, and when you look at the amount of money that these projects will generate at the state and county level, and you're talking about a lot of money from gross revenue tax, lodgers tax, pure money being passed around the community because there's more money to go around, let's not forget that that benefits the constituents, and it benefits the city and the county. So let's not make it one-sided because that's just not a fair argument. Agreed? Thank you, though, very much, I really appreciate your vision. You understand it, and that's a big deal.

City Attorney Rubin: Mr. Pharris, could I point out something I'm curious about?

Patrick Pharris, PreReal Investments: Yes.

City Attorney Rubin: You're the executive vice president of PreReal, and that's a separate entity from the alliance?

Patrick Pharris, PreReal Investments: Yes, it is, sir.

City Attorney Rubin: Because I guess what I was curious about, going through all the documents here, we see all the stuff about the alliance, I don't see that PreReal is even mentioned in these documents.

Patrick Pharris, PreReal Investments: Oh, there are other documents that you haven't seen that the mayors have received that mention everybody who's in every entity. If you'd like that, please feel free to send me an email, and I'll send them to you.

City Attorney Rubin: I guess I was trying to figure out the relationship between the entities.

Patrick Pharris, PreReal Investments: Sure, if you look at municipalities; the county and the two cities, and you look at the private sector; five individual companies running their own PNL's. They've gotten together and said, "Hey guys, we should work together." And we've come over here to say, "Hey guys, want to work together?" and then you come together and you go, "Wow look how much bigger we are. We're this big here and we're this big here but together we're this." There is the synergy. When you elevate that it takes you to a whole new level of opportunity, of vision, prospects, children and hope and all of those things you'd see in a movie. So hopefully that answers your question, I know it's not a legal question which is fine, but it's a vision question.

City Attorney Rubin: I know, I was curious. Is there a contractual relationship between the entities, is what I'm trying to get at here.

Patrick Pharris, PreReal Investments: There is a board of directors right now, or actually being assigned like I said, early next week, because we've been trying to put this together. There will be an agreement between us on the private sector side.

City Attorney Rubin: And "us" meaning PreReal, when you say "us"?

Patrick Pharris, PreReal Investments: Meaning the five entities that I mentioned earlier. So everybody will be together as an entity, just like you all would be together as whatever entity you decide to create. And then you come together, and boom, you're stronger.

Commissioner Forrister: I have a question on that. Let's move forward with something like this, let's have an alliance together where we all come to the table, let's change the

agreements not being money-related. Let's sit down and go over these things, yeah, let's go for a grant that would benefit all of us at once, but in the stipulations, it says we are not allowed, as the city, to go after certain things. I feel like that is where things get a little crazy. The county needs to do their thing, but yes, let's sit down together, let's have this alliance together, and come to the table.

Patrick Pharris, PreReal Investments: I think that's fine.

Commissioner Forrister: I think the stipulation parts of money and grants and things like that, and how they are distributed and who gets to run that, maybe needs to be off that table. Let's just come to the table and have this alliance.

Patrick Pharris, PreReal Investments: I totally agree, I think that's a great idea, and the reason that I put that in there was because historically, the amount of money – I'll just take tourism first – the amount of money that's been pursued for tourism is scraps off a table. And if we're pursuing an appropriation that is, hypothetically, \$1 million, and we're having great conversations over here, and all of a sudden somebody comes in from the tourism board or whatever it's called, I don't really know, they come in and say, "Hey we want \$100,000." And the state and feds go, "We're already talking with you guys for \$1 million." That creates confusion in the marketplace, and that's why I put that in there. But I'm fine throwing it out, just scratch it off the thing. Again, you guys, this is just the start, it's the first presentation, we're putting it out there to say, "Help us understand what you need, let's work together to get this done."

Commissioner Forrister: Yeah and I think we're all sitting here, we all want growth, we all want to be able to work together with our community members, and I say community members, because in this community, the county, the City of Elephant Butte, and the Village of Williamsburg, we are all one, we're all community members. So yeah, I think we all want to work together, I think it's the things inside of that that make it concerning. Everybody in this room is very concerned about how that is written and I think that's where we need to start. Let's all work together, let's have an alliance, let's sit down at a table, figure out what we need. Now, the stipulations of money I think is where it gets a little eerie.

Patrick Pharris, PreReal Investments: We'll let the attorneys work that stuff out, how does it flow, you know?

City Attorney Rubin: Then you're really in trouble.

Patrick Pharris, PreReal Investments: Well I think we've all got really good attorneys, and we can figure something out. Thank you.

Mayor Pro-Tem Mitchell made a motion to move public comment before item D1. Commissioner Forrister seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

Mayor Hechler: Going into public comment now, I would ask that we avoid redundancy, and if someone says something, and we agree with them, I'm not even opposed to having a poll and having you raise your hands. But we don't want to come up and say the same thing over and over again, because that's going to waste everybody's time. But if there's something new that needs to be said, or something different, or if you have an opinion that's aside from this, we'll probably do that at the end, if we have public comment other than what we have for this particular group, we'll do it that way. Does that sound fair?

City Clerk Torres: Can we also allow, if they want to, they can also submit any comments for the minutes, just in case you guys don't get a chance to say what you want, I will put it in the minutes.

Mayor Hechler: Yes, that's another thing. I've already got several comments here from folks that we'll put in the minutes, it will be represented, I think that's important. But we'll start going through the list. If I call your name and it's already been said and you don't want to speak, that's fine. If we go through the list and I haven't called your name, but you want to speak, that's fine too. We want to give everybody the opportunity to speak.

E2. PUBLIC COMMENT (3 Minute Rule Applies):

Tony Caquias addressed the Commission with comments related to:

- I live on 510 E Third Street. You guys covered a lot of what I wanted to say, so that's great. To avoid the redundancy, one of the big things is, too, since they are the 501c6 able to lobby with political things, they can replace all of you guys with people that more align with what their goals are, and you guys have already shown, right now, that you are very much engaged and interested in representing the community, and what they care about. While I appreciate that and do not want to lose that, that's why I very much do not support this entire thing. To have been in the room, and casually insulted a couple of minutes ago during this whole speech, that was wild, and it's really not going to do anything to get me on the side of this whole presentation. Like I said, you guys covered most of what I wanted to say, so thank you very much.

Alison Rashedi addressed the Commission with comments related to:

- My husband and I have lived in the same home in T or C for 19 years. My first reaction to this project was no, then I said, let me come with an open mind, and my mind has not been changed. I was employed in entry-level jobs in real estate in Chicago and San Diego for 6 years. As a broker assistant in Chicago, my boss raised the cost of condos after people already signed the contracts. In San Diego, a developer purchased my apartment complex and raised my one-bedroom rent in 2001 from \$595 up to \$850 so they could make them condos. I met my husband in a lovely mobile home park outside of San Diego. In 2006, a developer bought that land, we didn't seek a lawyer, and we ended up losing what we had invested. They kicked out seniors and disabled people.

- PreReal's website says what they do is they invest people's money. And they say, "to date, we have not lost a single dollar of investment." And "Our due diligence shows that we return double digits returns on our investment." PreReal I presenting this to us, so we have the upper hand. If this is considered, we must hire a consulting firm that has professionals who know how to read what is in their contract and what is not, counter them, and get clarification. Their website does mention that, due diligence. I did not hear anything in the presentation specific to our humble community, I think we need an activity center with an indoor pool, a heating or cooling center, and buses for our homeless population and city residents that I have seen suffer immensely when their homes cannot be heated or cooled. I heard Las Cruces is one of the best run city budgets, consulting with them may be a lot cheaper. I took two things off the website, please tell me if this is correct. One of them says "Our flagship investment opportunity is Turtleback Mountain Golf & Resort, a multi-round MPC project with incredible growth potential in Sierra County, New Mexico." I honestly don't know what MPC is, I don't want to guess, what does it mean?

Patrick Pharris, PreReal Investments: I don't know.

Alison Rashedi continued:

- Does anybody know? Okay, so these are investment terms that are obviously above most of our heads. The second page I noticed here, to counter what you mentioned about you being the only investor, you have a specific amount of investors, here you're offering "invest in the development and sale of 86 single family homes, improving 1,000 lots, and finishing key amenities to attract the largest developers in the US, this 48-month investment aims for a 20.3% IRR, we are seeking \$41.9 million in this equity -only investment opportunity open for the first time." I think they may be concerned.

Rick Dumiak addressed the Commission with comments related to:

- 705 Charles. I thought about this long and hard, I saw the thing on Facebook, looked at everything. I, too, tried to come here with an open mind. I really did. Unfortunately, I have a lot of experience in real estate with developers, real estate speculators, etc. Not my favorite people, I'll be honest with you, they're out for profit, we all are, I get it, but not at the expense of our community. When they mentioned the five principles of that partnership, the alliance, I certainly don't want the mine to be here, I'm sorry, that's a personal opinion and I'll state it. I'm not in favor of the mine, flat out. Water is a commodity, whiskey's for drinking, water's for fighting. Where are we going to get the water for these things? The data center down in Santa Theresa, The average data center uses 10,000 home water uses in one day. We don't even have that in the city here. I'm all against this. I want to see you guys work together, I love the idea of the communities working together, I've said that a long time. Let's go that route, we don't need somebody else helping us.

Gina Kelly addressed the Commission with comments related to:

- I live at 740 West 4th. I run the visitor's center, I'm on the MainStreet board, and I'm on the tourism board, so I can answer questions about tourism. One of the comments that has been made was that we're only getting \$250,000 in tourism funding from the state. One of the biggest reasons for that is because we don't have the money to match the grant. So, we can't get \$1 million unless we have \$500,000 to match that. That's under the current New Mexico Tourism Department Co-Op Marketing program.
- The economic impact of tourism in this town is already significant. I looked at the Lodgers tax – I don't come without actual numbers, I don't make it up – in Truth or Consequences, last year we had \$9.795 million in lodging revenue. I don't think people realize. It was pretty evenly split between the downtown hot springs hotels and the Date Street hotels, which is further interesting. Since Lodgers tax is 5% of room revenue, I can't make this up, we know what our Lodgers tax revenue is, we times that, and that's where I come up with \$9.795 million.
- The other thing I wanted to do was, some of the comments that have been made at previous presentations have been quite disparaging of Truth or Consequences. I've lived here for 20 years, I love this town. Sure, I always want to see things happen, I want to see new businesses come in, but I'm speaking from the visitor's center perspective now, I'm taking off the Lodgers tax hat, and for our visitors, right now is when we're really busy, and we're full of people from the Northern Midwest that are fleeing from snow country, can you blame them? You know what they all say? "I love this town. I love the hot springs, I love the art. I love the bright colors, I love the small town vibe, please don't sell out and turn it into strip malls." This is what we're hearing every day. I think if we're going to talk about development, we really need to keep an eye on keeping what's unique about our community. People really love the people here, I have got to tell you. I hear nothing but wonderful things about everybody in our community, and I just want to congratulate all of us for being so friendly and open to our visitors, because it really makes a difference. Some of them have been coming back here for ten years or more. Some of them are buying second homes here, I've talked to a number of those people. I just want to thank you for everything you do in supporting us, and thank you for your presentation, Patrick, it was interesting. And thanks to the community for the great job you do. That's it.

Suzanne Carlstedt addressed the Commission with comments related to:

- I live here in T or C, I wanted to input my skepticism about this alliance, it's a little different framework, it would be a new, unproven nonprofit. I even question the legal, or even constitutional, framework of the notion of locally-elected officials turning some of their financial power over to a non-profit that's not accountable to voters and taxpayers. Some questions about the alliance:
 - How much is the annual membership fee for local governments?
 - What's the projected budget and staffing for the alliance?
 - Will grant experts be unpaid volunteers? I doubt it. How about the head of the alliance?

- Where does the money come from to pay employees of the alliance? Especially if administrative fees have already been turned over to local government entities.
 - What sources of income are projected for the alliance besides membership fees and grants?
- In my time here, I haven't seen a lot of examples of different government entities, nonprofits, businesses, and so forth working together effectively. If you can pull that off, you must have some secret sauce.
- I know that PreReal has been quite critical of downtown T or C. As far as I'm concerned, their downtown is that mall up on North Date Street. While I appreciate the improvements that they've made, I'd like to ask, how has that worked out for the community? Talk about the pace of business.
- I'd like to know the degree of economic growth PreReal has added to the area. I do believe they've had some effect on housing costs, but I'm afraid it surprised some people out of the market, and how does that grow the community?
- They say they want to protect the character of Sierra County, I'd kind of like to hear what their idea of that is to see if it aligns with the local population's.
- I think we've only begun to address infrastructure, and it's the foundation. You can't build on a shaky foundation, so I wonder how infrastructure and economic development would be balanced in the alliance's structure.
- I am for bringing in business expertise, I do have some question about the business sense of building a hotel when you already own a hotel that pretty much sits vacant nearby. Again, talk about the pace of business. I am glad to hear that more businesses are interested, though. Thank you.

Steve Zeschke submitted comments that are attached hereto and made a part hereof.

Steve Green addressed the Commission with comments related to:

- 25 year resident of T or C, Commissioner for 12 years, Mayor, Mayor-Pro-Tem.
- First came SCEDO, \$390,000 of our citizens' money was our contribution alone. Not one job, not one business. Then we had middle Rio Grande Economic Development Association, same. Now we have Sierra Strong, too soon to tell. Now Sierra Gateway Alliance, looking for a home. The numbers presented over are a Santa Clause fantasy wish list. For example, Permean Basin, 50,000-100,000 people are going to travel 1,000 miles back and forth to come to Sierra County? Whomever did the numbers, please, don't insult our intelligence. Let us not give away the keys to our city. Yes, there is strength in numbers, but not always. We are a tourist destination, the county relies on farming, ranching, and mining. Elephant Butte is a tourist destination, we have our own needs and priorities that can't wait in line until it's our turn to receive funding. What we need is not another organization, but a qualified relationship between our fellow sisters and the county, a qualified grant writer who can take some of the pressure off of Traci and Gary, and who can help in implementing our financial needs for our infrastructure projects; as well as an active Mayor, Commissioner, and City Manager (which we have) working with our local state representatives, Captain's Secretaries, and elected Congress House of Representatives and Senators

(regardless of which side of the aisle they sit on), visiting them at local state offices, and if need be, Washington. If they see a need, let the contractors build. Let us continue to build our own house. Thank you.

Pat Swan addressed the Commission with comments related to:

- I live at 629 Charles. I agree with a lot of what's been said. My comment would be, I didn't see any T or C businesses represented in that list of mostly millionaire companies. If we're going to be a part of this, we should have some business representation. We have hoteliers and restaurateurs, the brewery – Marianne and John who have been here a long time and deeply care about the city – they should be a part of that, too. Those are just my thoughts, thank you.

Carling Mars addressed the Commission with comments related to:

- 510 E 3rd. I have only been living here full-time for three years, so I know that's not enough time for me to have something to say, but my students had quite a bit to say about this proposal. I promised that I would come and speak on their behalf:
 - Students noted many issues with the numbers in the proposal, including the idea that these are firm numbers. Virgin Galactic's numbers from their report last year on the Spaceport report said that they would expect *up to* 750 people to be able to fly on their spaceships once they are operational. My students found it suspicious that 750 people maximum flying on a 4-minute long flight that costs \$600,000 would lead to 41,500 hotel rooms.
 - Another student wanted to look into the issues with the mine, why it had closed and reopened, and found that the Copper Mine issue was largely that the cost to extract the copper exceeded the income per pound of copper, and the business fell under largely because of loans they had taken out. While the cost of copper has gone up, the student notes that interest rates on loans have also gone up, and that is a concern worth noting.
 - Lots of students expressed concerns about water. A lot of students expressed concerns about the level at the lake, which we all know has been going down, even I know that and I've only been here a minute. They also wanted me to note that in some of the images in the presentation, we should note that there are not saguaro in Sierra County. Thank you for your time.

Frank Anan addressed the Commission with comments related to:

- Marr Street, 19 years. First I just want to say thank you so much to the city leadership and the management team, you've been doing a fantastic job bringing in money and fixing our infrastructure recently. I've seen a lot more happening the last few years than I have in the last 19. I feel like I'm in a very similar state as last year, when there was a group either of PreReal or aligned with PreReal, that wanted to take over the Healing Waters Trail for development. I'm going to say the same thing I said then right now. This is something I think we need to do our own surveys. This team, here, between leadership and management, has the

ability to decide we need the help and these are the things we need to do, and I think that if the businesses want to work together to make their investment, they can get together and they can start to do investments. To the person that spoke before, I would love to see something come into that shopping center that's been sitting empty for a long time. Let's see some proof of action building the town, and the downtown. One last thing I want to say in terms of our infrastructure, especially when we're speaking about tourism, which comes up quite often, is we have had multiple restaurants close in the downtown in the last couple years. All of those are now other businesses. They had working kitchens, and we don't have restaurants there, we have an empty Denny's, we have an empty Pacific Grill, those are places I think we could look for investment to try to enhance, grow, and build a place that people want to come work for. Those create jobs, it helps bring tourism money, and it helps people of this community feel like these businesses that are out there are actually doing something for us, as opposed to just presenting more and more ideas for big infrastructure projects on their own.

June Russett addressed the Commission with comments related to:

- I live at 511 Gray Street. Thank you all for extending the public comment, it's highly appreciated. I'm here speaking for the trees and the rest of the environmental ecosystem. The Permian Basin, Virgin Spaceport, Project Jupiter, the copper mine, all extremely environmentally extractive. They all extract our resources. Our water, especially, is of the utmost importance to us if we want to continue living here, and I don't see anywhere mentioned in this presentation, that there are any hopes to increase the environmental impact that we could be having here in our town. I implore us to communicate among entities and among us citizens, gather and talk to each other. Hopefully those communications will bring forth an informal alliance without contractual obligation. Thank you.

Sunday Dawne-Marie addressed the Commission with comments related to:

- I live at 909 North Foch Street. Maybe I'm being repetitive, but I, too, really noted the lack of concern for the things that I feel, living here since 2019, that I have noted is important to our community. Let me just list things that I feel like everybody thinks are really important, and [Patrick Pharris] did not pay any attention to them:
 - Walkable downtown
 - Art spaces
 - Community gathering spaces
 - Spaces for music and theater events
 - Trees and shade
 - Good local food (as he said)
 - The Beauty of the natural surroundings – a huge reason why people come here, live here, and stay here.
 - Access to the river – anyone ever think about that?
 - Hot springs – should be cared for with longevity in mind
 - Walking and bicycling trails for safely accessing the beautiful, incredible nature that we are situated in.

- We have the night skies act here in New Mexico, and I do feel like it's a little bit ignored at a couple ends of town and by some people. I would like [Patrick Pharris] to keep that in mind, I don't know what you're going to be doing here, but dude, lights facing down.
- Parks
- Pollution
- All those things that he talked about, as June, and some other people said, are just extractive and polluting, and that's not what's important to us here in this town, it's not the reason we come here, it's not the reason we stay here. The jobs provided will be minimal, and also, who wants to work at a job that puts you at odds with your community?

Stacy Hay addressed the Commission with comments related to:

- I live at 595 South Foch Street, T or C. My concern, and it's not so much the alliance, I think having people talk, get together, and do the right things for the whole community is super important. What I'm worried about is the Copper Mine. When I lived in Sonora, California, there was a gold mine that they put in. It did run for 20 years, and they went bankrupt, so they didn't have to clean up. That's a really big issue, and it made it so that we, the taxpayers, had to pay for it to be cleaned up. And it couldn't be used for other things. We wanted to actually use that space for a little league place, because it ended up being capped, and it couldn't be done because it still wasn't environmentally safe. So I just really want to make sure people understand what happens, especially with an outside entity from Australia running the mine. Thank you.

Katie Renault addressed the Commission with comments related to:

- I live at 915 Morgan Street in Truth or Consequences. I also live in the United States, and I believe that, when I hear someone say that they would like to circumvent the checks and balances of our democracy, I get very nervous. I also hear someone basically saying that they, then, do not respect the opinions or value the opinions or livelihood of anyone in the room at this time. Which is a great segway to my next point that is, if you would like to be in charge of the funds allocated to be spent on our communities, that come out of the pockets of our people, then you should run for county treasurer.

Christine Auten addressed the Commission with comments related to:

- So many people have said such wonderful things. I live at 112 Riverside, I have a business at 403 Broadway, across the street from the brewery. A big yellow building that I'm sure everyone's annoyed by.
- First of all, I'd like to thank the Commissioners for your thoughtful comments. I'm very proud that all of you are our representatives, because what you said really spoke to a lot of my concerns. I also want to thank [Patrick Pharris] for the presentation. I do wish it were more thorough, and that you had come to this initial meeting with a little bit more substantial numbers. I think we can all say that.

- My husband and I visited here for nearly 30 years before we came. When we decided we wanted to settle down and start a business, T or C was on a short list of three places. We came here to visit, we closed on a house two weeks later. That's the power of this community, and what it is, what it has, and all the people who make up the businesses, the private sector that you have only five companies representing.
- You talked about fear, fear of change, and we see that, yes. Sometimes, there is a little fear of change that gets in the way of moving a community forward. I looked at your presentation, the PDF, I heard your presentation, and I hear a lot of language in it that actually is trying to stoke some fear. Fear of "What will happen, what will happen if we're not prepared for that change that's coming?" I know I'm giving you notes on your next presentation right now, I think we all are.
- Basically, what we fear is that the companies you say represent the private sector do *not* necessarily represent the community – and as you call them, constituents – at this point. What we *hear* you saying, no matter what the presentation says, what we hear is that "The growth will come, and how can we (these five companies) restructure local government so that they can pay for the infrastructures we need to make the most money from this growth?" that's what we're hearing.
- And you talk about tourism, yes, who's going to tour, I'm sorry, a detention center? Who's going to tour a copper mine? Who's going to tour through the Spaceport that doesn't have \$600,000? Our tourist economy is very much more diverse than that, and that's not what brings people here. So if you're going to talk tourism, do a little research into what actual tourism is. Talk to Gina, I'm sure she knows. Those are all my comments, thank you for your time.

Simone Swinson addressed the Commission with comments related to:

- I live at 810 Sierra Vista Drive. I have lived here for a month and a half, however, my parents have lived here for the last 14 years. I have come here twice a year, averaging about a 3-month stay. I was afraid to say something today, but I feel that I must.
- I feel that growth is happening, we can't stop that. But what concerns me is that this wonderful community has been told the same version of events in the past, with Virgin Galactic. I remember how excited I was when this community was sold a bill of goods that "It's going to spark tourism, we're going to have all of these hotels." What happened was, this community paid the taxes and Branson went around. Everything was spoken in generalities. What I would like to see is representation, if this nonprofit goes forward, where we would have actual people from our community, and I hope I can say that I am part of this community, to have a voice. I feel that the voice is lacking. This is going to happen regardless, it is. AI is here, I like AI, I don't like the mining of the copper that's so close for the data centers. Everyone's talking about the water, we're not talking about the air, the down winds. There are little children who will, most likely, get asthma and other bronchial diseases. We have our senior community here, that are going to get very, very sick, and no one's talking about this. I'm sorry that I'm emotional, but I've seen this community time and time again be sold a bill of goods, they put

their heart in it, they trust, and then they get screwed in the end. I don't want to see that happen. Everyone should have a voice. We don't have anybody representing us, yes [the Commission] is representing us, but you need more than that. I'm sorry, you need faith leaders, you need business leaders, not necessarily Ted Turner. Ted Turner, I've been here 14 years, twice three times a year, I've never had anything to do with Ted Turner. Real people, real community members. Thank you.

Robin Wynn addressed the Commission with comments related to:

- I live at 500 East Riverside Drive. This is the first meeting I've ever come to speak at. I was kind of hoping there weren't comments today, but I have to say something. Everybody covered so many things I was concerned about. My first feeling when I read about this, this week, was that I am all for PreReal and all their little corporate friends, getting together to create a little table of interested parties who want to invest in all of these communities. They can apply for grants, they can come to you and say, "Hey we'd like to apply for this grant, do you guys like this idea?" I guess it would shorten the grant-to-money in our pocket a little bit, if they had to go through you, but I'm all for any group of people or entities getting together and saying, "What can I do to improve this community?" and if they want a splash pad as much as I do, I'm going to join them, and things like that. So they don't *need* to have a hand in our pocket, or our decision-making powers. Also, I love everything our Commissioners said, thank you so much. I think that what *has* come from this is the city, the county, and the Village of Williamsburg, should definitely sit down and explore that. I'd be very happy to look into maybe other communities that have those kind of quasi-partnerships with each other, not with corporate interests. Thank you.

Constantin Parvulescu addressed the Commission with comments related to:

- I live at 660 Post Street. I grew up in Honolulu, and they talk about the big five development companies in Honolulu, so when I hear this proposal, that sort of echoes in my head. I'm not sure they've done a lot of good for the island, but I don't live there anymore. One thing I wanted to say was if Ted Turner and the Walton family can't pay a living wage, why should we expect these people to? Thank you.

Gigi Callahan addressed the Commission with comments related to:

- I live at 1048 East Riverside Drive, Trailer 4. Please don't come over without calling. I just want to say that I'm very proud of the people I spent my vote on. I like that you're willing to hear us, I like that you brought this to the table for the people to have comments for, and I think you've heard plenty of comments. I'm not a big fan, I've worked corporate jobs for a long time, I've worked on \$16-\$30 million call centers, and I've seen what they've done to communities. They've brought in jobs, but they took something for that. I think that you all are able to work with each other, your sister cities, because you sure worked with me, and many initiatives that I've done, and I've seen what you've done with this

community. These people came here to stand up for *you*. They put their vote in you, so we're hoping that you're thinking about us, too.

Mayor Hechler: I think we've exhausted public comment. Let me just say this, thank you all so much for caring about your community. It speaks volumes that we have people that show up for things like this, it's important. We need to hear what you have to say, and we have, and it's important. We won't make any final decisions without involving you, that's a promise we have to make. If we are deciding to do something, then we need to be transparent with it, and get it out in the open, and we need to have dialogue. This is an important initiative, we are at the edge of something that could be good, or something that could be disastrous. We have to be really careful here, so we'll try to do the best we can. Thank you for putting your faith in us, and thank you for being here today.

Mayor Pro-Tem Mitchell made a motion to move into the Electric Study meeting and reconvene the regular Commission meeting after. Commissioner Forrister seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

The regular meeting reconvened at 7:11 p.m.

D. PUBLIC HEARINGS (5 Minute Rule Applies)

1. Public Hearing and Final Adoption of Ordinance No. 771 amending Chapter 3 of the Municipal Code of Ordinances pertaining to animals.

City Manager Whitehead: In August of last year, we began developing a new ordinance for animal/animal control. We've worked through this process for about five months now. We've had multiple public hearings, we've put in multiple hours of staff time working with all of our partners. Two meetings ago, we had two significant public comments. One of the public comments was related to enforcement and how the codes were going to be enacted, so we went back to look at that, we brought that forward. The second comment was about how we would interact with livestock. From that meeting, the two actions were that we made the preamble a little clearer on the intent of the law. That was as close as we could come. Again, at this point, the action's taken. If someone's cited in the public sector, those have to go through the magistrate court until we find a different adjudication model within the city, which we hear you and we will continue to work on that. Ultimately, we stayed with the state law on livestock, which would require it to fall and that the city would have, and if your livestock is running at large in the city, you potentially could be cited for that. We did keep the word *intent* within that, so intentional. Those were the two changes, other than that, the code is exactly the way it's been developed an din place, so this would be your final time to have public comment, and if the Commission so chose to take action, to adopt this plan. Our staff agrees and recommends adoption.

Mayor Hechler: Thank you. So we all know the journey. We've had about three public meetings at *least*, we've discussed it at length, we have hundreds of staff hours involved in the rewrite of this ordinance. I think this is a pretty comprehensive project all the way through, and I'm pleased with the way it went through.

Mayor Hechler opened the public Hearing.

Proponents:

There were no proponents.

Opponents:

Patrick Oliver: I'm going to truncate my comments today. I need a nap. By the way, if you're an outsider, I'm making this comment from Andromeda, sir. You know, the only issue I have with the animal control ordinance is the general penalty section. I don't think you can execute this until you have a mechanism to take fines. Raton is a city that is the size, basically, of this town. It's on I-25, both towns are the county seat, it's located near a large natural wilderness. The only key difference is, quite frankly, the income level. They make about \$35,000 aggregate more there per year than is made here. When you look at the penalty section there, they have the penalty section divided into two sections: common ordinance penalties, and severe offenses. The first time a misdemeanor even comes into play is in the case of animal cruelty. Now this doesn't take into account if you had a violation, if you don't pay your bill, you know, then I think it's all fair game. But to charge people with a misdemeanor right out of the gate, first offense, we know this is done at least 8 times since the new Animal Control Officer has taken over. We have done records research, we will continue to do records research. This isn't fair. It is not fair, and it's questionably illegal. There's nothing more American than violating an ordinance, getting a ticket, and paying your fine. We have to have records now? I have a record, I have a misdemeanor because of a permit. A permit. I didn't hit anybody, I didn't threaten them, I didn't destroy property. My wife got charged with a misdemeanor for having the dog in our parking lot, two dogs. Se gets charged with a misdemeanor. This is not fair. A lot of talk about community and everybody coming together, this, that, and the other thing. This, to me, from our position and the perspective that we have and where we come from, this was a stick that took a big whack at us. This wasn't fair, this wasn't, you know, the item that I mentioned before that you all had in the newspaper, the things that you said discretion needs to be involved. There was no discretion. The kid waited outside parked in the Pacific Grill parking lot, just waiting for us. Waiting for trouble. After I came by to find out about the meeting two days ago, I go to the ATM, the kid's right outside our parking lot, scoping the place. I'm asking for fairness, I'm not asking for \$15 million or a whole bunch of other stuff, I'm just asking for fairness. Give it 60 days. Hold this off, work on a way to at least temporarily deal – bake in fairness within this. Put in the fines, take away the misdemeanor for the first and second offenses. That's what I think you need to do. Thanks for your time.

Commissioner Forrister: I have a comment to that. We don't set those, the judge does in court, we don't set those fines and fees or anything, the court does.

Patrick Oliver: The court enforces fines, ma'am. The court doesn't make fines. Whether it's legislature or council, the fines are set by you guys, not by them. The court just uses it as guidance to apply that to the individual that violates the code.

Commissioner Forrister: So, since we're in open dialogue here, what is your suggestion to those, is my question.

Patrick Oliver: My suggestion is that instead of using Las Cruces and Albuquerque as your baseline, let's use places like Raton and Farmington, and these smaller villages. Use that as the baseline. Here, you can have my notes. **A copy is attached hereto and made a part hereof.**

Patrick Oliver: This caused an enormous amount of problems for us. You didn't know about the timing of it and whatnot, it's very emotional for us. It's the standard everywhere else you go. We had an issue in Springfield, Illinois with – I'm going to cry here, I had a pug, I loved this dog, but he got away from us one day. It took us a couple hours to find it, Animal Control found it, brought it back to us, charged us \$50. That's what should happen. When we were getting the ticket, not only did we have to provide our social security number, but we were threatened with going to Deming 8 times. It got to the point where I started counting. My suggestion, calm it down a bit. We don't need a SWAT team. I'm willing to play by the rules, but I've got to tell you, when the people enforcing the rules – I don't know, man, I mean so many people yell and say things, put people down, slander, whatnot. All I know is that we spend thousands of dollars creating a container for our dogs to live in, in that spot that we bought up there, we're trying to rapidly improve it, and we got – this feels like harassment. This isn't normal.

Municipalities don't charge misdemeanors for the first or second offense of whether you left garbage outside, or your dog got away from you, or some other civil offense – minor civil offense – misdemeanors are meant for criminals. I steal your stereo, you've got every right to be charging me with a crime. You don't have a right to charge me for a crime if my dog gets out of the gate. Now if my dog *keeps* getting out of the gate, and it keeps crapping in your yard, then that's something different. It says it right on the offense, first offense. On both of them, one that was directed at me and the one that was directed at her. Maybe I should have brought \$150 million back down from Illinois, I don't know. I'm just saying that it's not fair, and if you're looking for fairness, if you're looking for not hearing comments about two different towns, and two different enforcement policies, this is what you've got to take care of. You've got to have the mechanism in place for people to come do business at City Hall. You don't have the mechanism to do business at City Hall, but yet you're upping the penalties for civil behavior that requires that mechanism to be in place, you're putting the cart before the horse. That's my argument.

Mayor Hechler: I have a question for you, let's see if I can articulate it in a proper way. So you're telling us that the officer exercised discretion, or he did *not* exercise

discretion. If you would have had a different officer that handled the situation differently, there may have been a different outcome, right?

Patrick Oliver: Hypothetically, sure.

Mayor Hechler: Different officers have different ways of interacting with the public. Some are more experienced, some are less experienced. Some are more by the book, some are less by the book. It was always my philosophy, I wanted to stop the action first, and if I had a reasonable person I talked with, then we could come to a consensus, stop the action, and it was done. A lot of times you didn't write a citation. A lot of times, you just talk to people. Some officers, maybe they're straight out of the academy, maybe they're taught a certain way, but they're by the book. For lack of a better term, I used to call them the poison fence, because they would write a ticket for everything all the time, and they do it all day long. That's the difference sometimes in discretions for officers. I'm not making excuses for the officer, I wasn't there.

Patrick Oliver: I understand that, and I have a response to that, because I think you hit directly on the key issue here. Culture. If you have a culture where people walk out and say, "I don't like this guy." Or "This guy's from Chicago." Or "This guy has done this and he's not really – he said this about – " with all due respect, I've spoken here a couple of times, and every time after I've spoken, my garbage stops getting picked up. I'm not making that up. I have no reason to make that up. Actually, to be honest with you, I should keep my mouth shut. That's how I feel about it, but you know what? It got too far. It's gone too far.

Mayor Hechler: But don't you agree there would be some circumstances where a citation is warranted...

Patrick Oliver: Absolutely.

Mayor Hechler: ...up front, the first time around, because of the nature of the circumstance itself?

Patrick Oliver: I'm not sure...

Mayor Hechler: And I'm not familiar with your particular circumstance, but there are some things, like leaving a dog inside of a car when it's 90° outside, that's not an option for me. That's a ticket, right?

Patrick Oliver: Yeah.

Mayor Hechler: So I don't want to take that discretion away from the officer. The officer, I don't know if they should have discretion at that time, he should write that citation.

Patrick Oliver: But here's the thing, and again it goes right back to the culture thing and right back to the training thing, and right back to the problem that you're going to have

going forward, because I very much doubt the 25-year veterans are showing up and saying, "Hey can I fill out an application?" you're going to get young people doing this all the time, which makes culture, and how we tell these folks to deal with the public, that much more critical. Because that culture piece, how we deal with each other, is representative, quite frankly, of you.

Mayor Hechler: Sure.

Patrick Oliver: When they come out and they say, "Hey, we don't like people from Chicago." And I've had a Truth or Consequences police officer look me dead in the eye and say, "I hate people from Chicago." I've had a Truth or Consequences police officer wait for me. We've had two break-ins, we don't call. The reason why we don't call is that the first time that I called them, they ran my ID. This is not a culture that – I'm guilty before I'm innocent, and that's how I feel this culture is. I feel that the punishment is more important than understanding the context of the situation, and that was what I was not afforded. I wasn't afforded an opportunity to have somebody of your stature – I'm assuming by the way you're talking that you're an ex-police officer?

Mayor Hechler: Yes, sir.

Patrick Oliver: Okay, so somebody of your stature, who may have had some experience, I didn't get that opportunity. So now, my name, for the rest of my life, has a misdemeanor over a golf cart, that I've already had to explain to my employers.

Commissioner Forrister: Is the misdemeanor over an animal or a golf cart?

Patrick Oliver: I was charged with a golf cart permit violation, that fits into the scope of the same thing, because when you look at how things are handed out, there's no place to go pay a fine for a permit violation or a dog violation or not having a tag for – any violation of the city ordinance, there's no place to pay a fine. There's no minor incident, all of these incidents are crimes. I turn my place into a junkyard, you decide you don't like it, you send the guy over, he writes me a ticket, that's a crime.

Mayor Hechler: Okay, we do have a 5-minute rule here, so we better stop. Here's my last idea. I'm thinking what you're describing to me right now is a training situation more than it is an ordinance situation, because I don't want to necessarily take the authority and the power away from our officers, to use discretion in the field. It's up to the individual officer. However, there should be a training situation involved where there's a certain way you interact with the public, it's called totality of the circumstances, right, you take all those things into your mind, you make a decision and hopefully it's a good decision. It's not in retaliation, it's not a matter of attitude, it's a decision based upon the totality of the circumstances, and that's a training situation to me.

Patrick Oliver: And I guess we're going to agree to disagree because when it comes to training situations, scope and context are the most important. I've trained hundreds of people, and the most important thing in training, and trying to educate somebody to take

it to the next level, is that, the way I teach it, I call it the sandbox. Everything has got to stay inside that sandbox. But that, to me, is not the issue. The issue is that if you go to Raton or Springfield, Illinois, or North Canto, Ohio, or Cleveland, there's a reasonable expectation of normalcy when it comes to dealing with ordinance violations, and that normalcy starts with a fine.

Mayor Hechler: And we've made that point already, we've heard you, and I feel your pain. I understand what you're saying, and I appreciate the feeling that you have toward that, I know it's very personal. Those are my comments, I have empathy for you, but we have to look at the totality of everything, and I think we'll make a decision based upon that. Thank you, sir.

Gary Whitehead: Let me add a couple of points on this. First of all, I would agree 100% with Mr. Oliver, and we've had good dialogue on this. I think that totally, we do have a problem being able to deal with things ourselves. Through decisions of previous Commissions, we've ended up in the magistrate court. That's just a statement of fact. I would go look at Raton, but I would imagine that Raton still maintains their municipal court system, in which they would then have the ability to adjudicate those items differently. Again, we could go look at that and double check that, but right now, we are subject to, if we write a ticket, if we write for an ordinance violation, if we write somebody for weeds, any of those things – and you've heard me say that throughout this process – it's hurting us, because I can't get those to adjudication. If I write you a ticket for any of these, it's probably 6 months, and I've said out loud, I'm not upset at the judge. Judge Lee is one judge, he's one person, he has a lot of items, and it does seem, from the city's side, that when he gets a case on us, he is generally dismissing those cases and allowing those to go without citing, without that misdemeanor or those items becoming permanent, but you have to go through that process, and I get that, that's a tough situation to be going through, versus coming in and paying. So that point is right. In this law, that's the way we've written it, is that we have to go to the magistrate court, we have no choice in that. We've been over that, we debated that in length. Based on Mr. Oliver's comments, we did go back and add the line into the ordinance to give it intent, which is to say, "It is further the intent of the Commission to promote responsible pet ownership, and to encourage education and voluntary compliance with the provisions of the chapter, and ensure that law enforcement is applying it in a fair, efficient, and humane manner." So that leans into the idea that we can do the best we can to lean in and make sure that our enforcement officers are, when they're in the field applying, because they're not adjudicating, right, they're citing based on what they see.

Mayor Hechler: So report to the court.

City Manager Whitehead: The last piece I wanted to say, and I want to be as defensive as I can of our law enforcement, we do have a young department. I get it, we have some young people we're recruiting, we have a good Chief. A Chief that cares. We meet regularly, we talk about these things intently, we talk about them from an administrative standpoint, so my ask would be that we continue that dialogue, and we look for building the right culture here where they are following the guidance that you've

laid out, but I feel like that's the best that we can do, because we are tied to magistrate. Now that doesn't mean I'm not looking for what our next step is, which is to return some way for us to have a fine, because I do think it's important that we cite somebody \$25, and we would finally get to where they have to move up the ladder, because I think we would end up dealing with weeds and unclean yards, and these little odd things. As it relates to that point, I feel like we have examined it to the best of our ability, but we are tied to a situation that a Commission put us in, if you will, by taking the municipal court out of our control. Until we come back to that, the opportunity that Mr. Oliver is asking for doesn't exist. Those are our comments from administration, and I thank our Police Department, we have a good chief right now.

Mayor Hechler: Have you discussed this particular case with the chief?

City Manager Whitehead: We have, we went and looked through the record, we tried to figure that out, I think he's brought that up with his staff and would agree that they would hope to handle those situations better, and I have to take him at his word and give him the opportunity to do so.

Mayor Hechler: Thank you, sir. And thank you, Mr. Oliver.

Commissioner Glines: I see here on page 41, "Any person who violates any of the provisions of this chapter shall be deemed guilty of a misdemeanor, and may be punished by a minimum fine of \$25, and not exceeding \$200" and then the chapter's, the section, the article, or is it everything underneath it in section 3?

City Manager Whitehead: I apologize, let me pull that back up.

Commissioner Glines: And then also later down on the list, Repeat Offenses on page 60, "Three or more violations of anyone, or any combination of offenses in this article shall constitute an act of cruelty. Repeat offenders shall be deemed guilty of a misdemeanor, punishable by a minimum fine of \$100, and not exceeding \$500."

City Manager Whitehead: There was a general provision under Animal Cruelty that came with a stiffer penalty, that was the focus. For dog fighting, for breeding dogs, any of those things where the cruelty rose to a new level, so there was a different potential penalty. But the general penalties are as you described on page 41, page 17 of the document, and again, Tyler's interpretation, our vision was that ultimately it's the judge's responsibility, and we didn't tie the judge to say, "You shall penalize this." The judge's discretion would be to go anywhere from \$25 up to \$200, 90 days (because that's part of the state law, that's the way the state law is written) and then Tyler added to those that a person may also be required to take animal training, care, school classes, etc. All at the discretion of the court. We ultimately recognize that because of the fact that we're tied to the magistrate court, we didn't want to tell the judge the way we wanted to do it, because they have independence, so these would be the limits under General Penalties, unless it was Animal Cruelty, and then it would rise to a different level.

Mayor Hechler closed the public hearing.

Commissioner Forrister made a motion to approve Ordinance No. 771 amending Chapter 3 of the Municipal Code of Ordinances pertaining to animals. Mayor Pro-Tem Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

E. PUBLIC COMMENT (3 Minute Rule Applies):

This item was moved up on the agenda.

F. CONSENT CALENDAR:

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

Jocelyn Holguin, Chief Financial Officer: This is just the report between \$20,000 and \$59,000 that the City Manager approved. This is based on the emergency grant funds for the freezer walk-in for the SJOA. It was approved during the BAR and documentation process, this is just reporting that this purchase was made.

Mayor Pro-Tem Mitchell made a motion to approve the Consent Calendar as submitted. Commissioner Hoeppepner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

G. ORDINANCES/RESOLUTIONS/ZONING:

1. Discussion/Action: Resolution No. 41 25/26 Budget Adjustment Request. Jocelyn Holguin, Chief Financial Officer

Jocelyn Holguin, Chief Financial Officer: This is for the funding that the animal shelter received, it is to increase their budget. It was broken down by expenses from the line items, but the total amount of the revenue is \$5,000. It was on the previous meeting for approval, we got it signed right away.

Mayor Pro-Tem Mitchell made a motion to approve Resolution No. 41 25/26 Budget Adjustment Request. Commissioner Hoeppepner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

Commissioner Hoeppepner stepped out momentarily.

(H2 was moved up before item H1).

H. NEW BUSINESS:

2. Discussion/Action: Change Order – Shovel Ready Water Project.

Assistant City Manager Alvarez: This is the request to change order the PO with J&H Services. They're our contractor out on-site right now for the shovel-ready project. What we're requesting is to put in an allowance for some additional funds in their testing, due to soil changes, and additional allowance into installation of insta-valves to help maintain pressures around the school area, and anywhere else they're working on, to minimize disruptions. The additional costs do fall within the allowable project grant funds, and they would be based on time and materials. The request is for \$115,000 for an increase. That is without tax, so it is a total of \$124,631 with tax.

Mayor Hechler: The majority of the funding is for the valves, right?

City Manager Whitehead: It is, yes the majority is for the valves. \$65,000 for the valves. If the project continues on its current trajectory, we hopefully won't need those valves, but this is an emergency measure that we recognized after we started, that we wanted to have the ability to add a valve where we needed to shut off and control flow.

Mayor Pro-Tem Mitchell made a motion to approve the Change Order – Shovel Ready Water Project. Commissioner Forrister seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried with a 4-0 vote.

City Manager Whitehead: You'll see this now in Jocelyn's, to approve the requisition, to do so. We'll continue to do that process, and we'll continue to follow our procurement process, which would allow me to make change orders that are less than \$60,000 and if it exceeds the \$60,000 it's coming to you for your approval. Anything below keeps us nimble, keeps us moving, but then you'll receive all the documents and everything consistently within that process.

H. NEW BUSINESS:

**1. Discussion/Action: Approval of Purchase Requisitions over \$60,000.
a. Wilson & Company Inc. – Cantrell Dam Engineering Construction Admin Services**

Jocelyn Holguin, Chief Financial Officer: This is for the Cantrell Dam. It's funded through the Water Trust Board. It's basically utilizing our on-call with Wilson. They will be working with the city to get this project on the Cantrell Dam going. We're looking at \$876,484.76 and I will defer to the City Managers if there are any questions.

Assistant City Manager Alvarez: The scope of services for this is going to be full bidding, administration services, as well as full construction administration services for approximately 16 months out there in the field while they do the construction. They'll also have full-time deal observation all the way through our substantial completion. They'll do part-time observation at the senior level, that was something I'm learning very much from City Manager Whitehead on negotiating proposals and finding cost savings

where we can. We'll also, of course, have the quality assurance and independent assurance testing in accordance with DOT requirements, as well as assist with all project close-out, record, and as-built documentation. This is for the full construction at the Cantrell Dam.

Mayor Hechler: So, we're not paying for on-site oversight all the time? You've been able to negotiate that? Because they're not going to be there every single day, right?

Assistant City Manager Alvarez: We will have a lower level on-site all the time, every time the contractor is there. What we won't have is the higher senior levels there at the same time, they'll just be there for the quality assurance testing, the main testing requirements that have to be certified.

Commissioner Forrister: Our match requirement is only the \$76,000?

Assistant City Manager Alvarez: This is for the engineering oversight, this is the Cantrell Dam where it was the \$8.9 million, we received Water Trust Board funding for right around the \$8 or \$9 million. This portion is just for the engineering.

Commissioner Forrister: Right, but out of the \$876,000 it said that our match is \$76,000

Mayor Hechler: Yes. The match requirement is \$76,000. On page 94.

Assistant City Manager Alvarez: So, when we do the purchase order, yes, we have match line item and grant line item. So, when I make a payment and submit for reimbursement, we submit on a 10% of the invoice goes towards our match until we meet the full match, sorry.

City Manager Whitehead: We have a \$9 million project, and I'm rounding, we have a \$900,000 match, we owe 10%, the office of the Flood Commission is giving us \$400,000 and we have to find our remaining amount. But of that, this contract will pay out in full, but we'll take 10% of it to meet our match from our match side of the house, and the rest from the grant, is what this purchase order is telling you. I won't go into it much, but we will have an on-site inspector 8 hours a day, 5 days a week for the project. Across the board, this is a pretty sophisticated project, but we did negotiate down several hours from senior staff, and then not having two inspectors on-site multiple times. We've increased our ability for reporting and for consultation on this project. We did see some savings in this negotiation through the city.

Mayor Hechler: Perfect. So, it's overall savings, or is it more stuff in the ground?

City Manager Whitehead: I think it'll be more stuff in the ground. We saved about \$50,000 on the engineering side, which ultimately goes right back into the project.

Mayor Hechler: Perfect, that's good news.

Commissioner Forrister made a motion to approve purchase Requisitions over \$60,000 for Wilson & Company Inc. – Cantrell Dam Engineering Construction Admin Services. Mayor Pro-Tem Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

b. J & H Services Inc.

City manager Whitehead: This is the item we just briefed you on for the change order, so this would be just approving the requisition for the amount of the change order.

Commissioner Forrister made a motion to approve purchase Requisitions over \$60,000 for Wilson & Company Inc. J & H Services Inc. Mayor Pro-Tem Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

H2. was discussed before item H1.

3.Discussion/Action: Approval of Biennial Memorandum of Understanding (MOU) between MainStreet and the City of T or C.

City Manager Whitehead: On an every two year basis, an MOU with MainStreet needs to be put in place. This would start July 1st, 2026 through 2028. Key points; I've read through the document, it's consistent with what the city has adopted before. MainStreet has four points that they are to deliver to you: economic vitality, design, promotion, and organizational structure. They are to hire an executive director. The MOU defines what the requirements are under attachment one. The liability that the city does have is that you must commit to funding the program at some level. They have a set budget, they are required to raise money to get to that budget, and again, we meet those obligations by funding them, as long as they're promoting ideas within the district that they're assigned to, they would meet and be eligible to receive city funds. The document has been reviewed, it's in order. I think we're building a consistent relationship with MainStreet, we're looking for other connections that help them be more than just focusing on their items. We would recommend adoption of this MOU.

Commissioner Forrister: I think we've put some provisions on MainStreet a few years back, and I think they've really stepped up their game.

Mayor Hechler: I agree, I'm pleased with their actions over the last couple years. It's a strong organizations, and they do report all the time, so it's perfect.

Commissioner Forrister: Even in public comment, when she doesn't get on the agenda.

Commissioner Forrister made a motion to approve the Biennial Memorandum of Understanding (MOU) between MainStreet and the City of T or C. Commissioner Hoepfner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

4. Discussion/Action: Approval of a Professional Services Agreement between the City and Jesse Cole 4x4 Services and Consults.

City Manager Whitehead: In order to operate a water and wastewater system, you must have a level 3 in each discipline within your system to be compliant with the environment department. Currently, we have Jamie Foreman who is a level 2, she's completed her classes and training, she will be a level 3 in water, which will then complete what we had set out for her. But in order to be compliant, we made the decision to go out to a consultant. I think this is a model that will be working with other organizations, it's very hard to find this. In this particular case, our contract will be a multi-year contract. Again, we'll do from now until the end of the fiscal year will be one purchase order, and then we'll be allowed to do this for the next year as well. We're paying Mr. Cole \$1,000 a month. That \$1,000 a month is to allow us to have the use of his license, that's it. For that, he provides us one day of guidance, he comes in and looks, so he'll have one day in the system where he'll go through every piece of our infrastructure, he reports to me, and reports to the water department on the quality. If he's comfortable with allowing his license to continue to be on top of us, so that's what that gets us. Off of that, we pay him \$75 an hour for emergency callouts. He is very knowledgeable in the system, so when we have a valve but we can't find a location, he's very capable. If we have a technical issue with repairs, he's able to come out, so he would be compensated additionally for that. What we've found this year is he's also licensed to do water line and repairs, so this contract would allow me, then, to use him within the context of the \$60,000 professional services contract to do minor repairs to our system. Jesse is the one, he and his crew facilitated 15 repairs for us in December, and actually got us caught up on the small repairs. This gives us licensure, it gives us safety, it gives me control, and it allows us to have somebody to assist us in repairs. Our recommendation is that we adopt and continue the contract.

Mayor Hechler: Just as a comment, when we had a full-time operator on board, it cost us almost \$90,000?

City Manager Whitehead: That's correct.

Mayor Hechler: So, this is cost savings. We're getting the same thing, we have a pretty good system, I think the city is benefitted by his expertise, and it's been a good contract.

City Manager Whitehead: And let me just add to that, because somebody might say, "Why is the guy working for just \$1,000?" well he has I think 10 or 11 other contracts that he's able to provide the same service for, so he's built a business off of serving other small municipalities and water systems.

Commissioner Forrister: He makes \$1,000 a day, that's pretty good.

Commissioner Forrister made a morion to approve the Professional Services Agreement between the City and Jesse Cole 4x4 Services and Consults. Commissioner Glines seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

I. ADJOURNMENT:

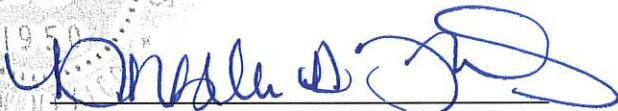
Mayor Hechler adjourned the meeting at 8:06 pm.

Passed and Approved this 11th day of March, 2026.



Rolf Hechler, Mayor

ATTEST:



Angela A. Torres, CMC, City Clerk



“The best way to predict the future is to create it.”

— Peter Drucker

NEW REGIONAL JOB CREATION 2026 to 2031

Overview

- 2026 – 2031: 61,200 to 112,500 new jobs in southern New Mexico and western Texas,

Copper Flat Mine

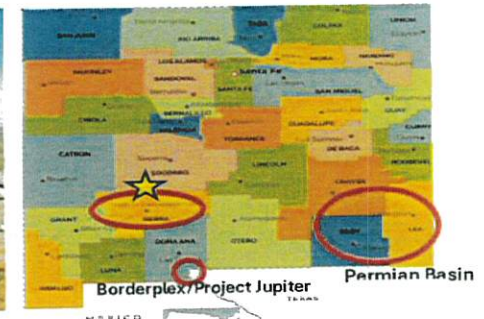
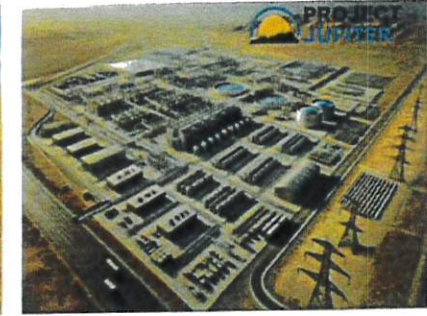
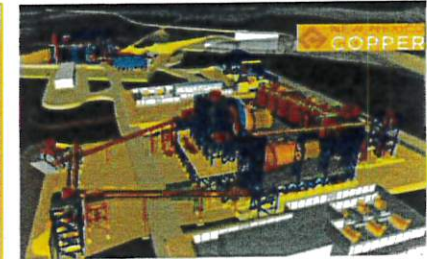
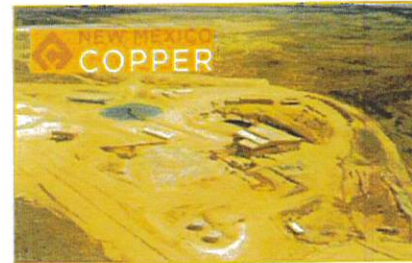
- 2027 – 2029: Expected to create and support roughly 1,200 to 2,500 jobs during construction and early operations.

Borderplex & Project Jupiter

- 2026 – 2031: Expected to create and support between 20,000 and 45,000 jobs.

Permian Basin Oil Discovery in New Mexico

- 2026 – 2031: Expected to create and support 40,000 to 65,000 new jobs.



TOURISM EXPANSION – IN SIERRA COUNTY

2027 - 2031

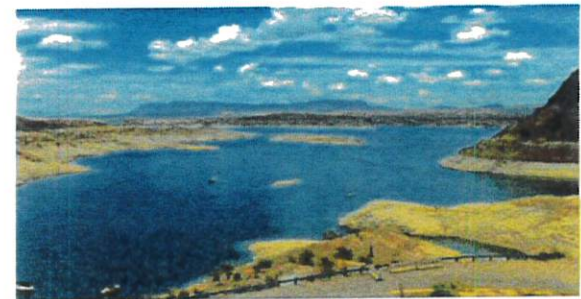
- Virgin Galactic is expected to generate 41,500 hotel room nights per year with one (1) flight per week.

2026 – 2031

- Borderplex and Project Jupiter are projected to produce 15,000 to more than 70,000 leisure trips annually to Sierra County.

2026 – 2031

- Permian Basin discovery is anticipated to generate 50,000 to 100,000 additional visitors to Sierra County.



WHAT IS NEEDED NOW — AND WHY

The 2026–2029 window is critical to prepare before capacity is reached.

The next three years represent the only realistic opportunity to plan, fund, and build ahead of demand, rather than reacting after growth strains housing, infrastructure, tourism services, and quality of life.

Once regional capacity is reached, development becomes more expensive, more fragmented, and harder to manage, limiting long-term economic and fiscal benefits for local communities.

Existing local revenues (Gross Receipt Tax and Lodger Tax) alone cannot support the level of advance planning and investment required to respond to this scale of regional growth.

2026–2029: CRITICAL PREPARATION WINDOW



Development becomes more **expensive**

Development becomes more **fragmented**



Harder to **manage**, limiting economic and fiscal benefits for local communities.



Existing local revenues alone cannot support the level of advance planning and investment required

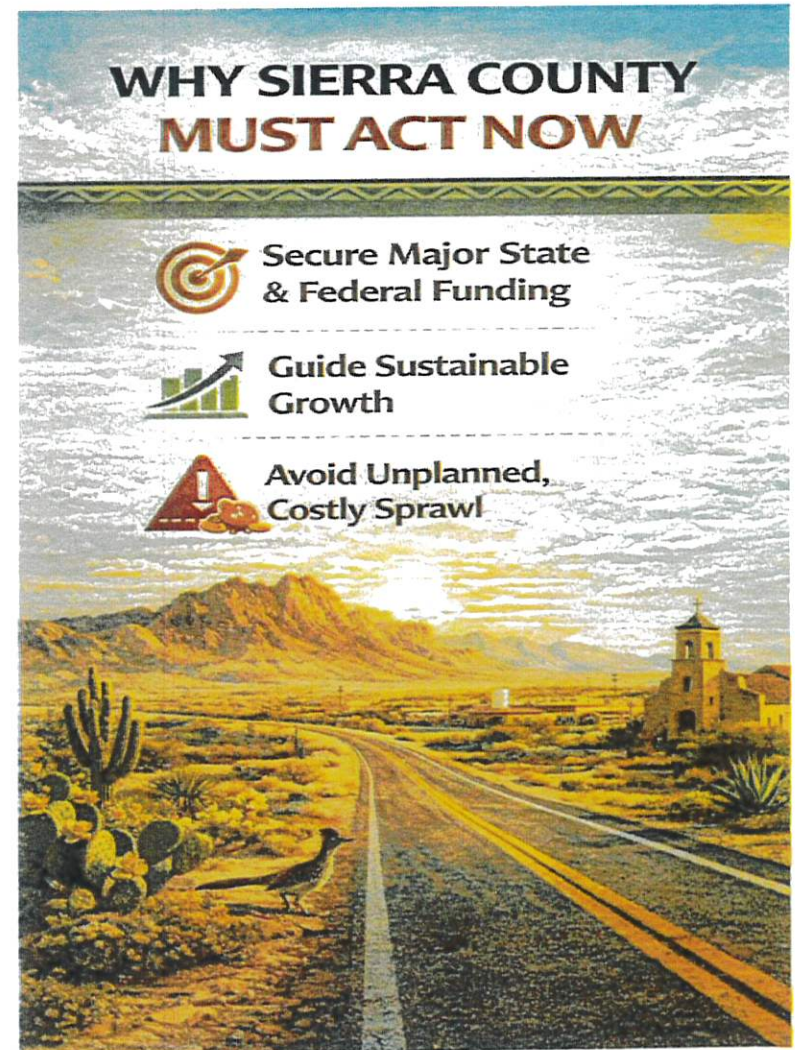
WHAT IS NEEDED NOW — AND WHY

Action now allows Sierra County to shape outcomes instead of absorbing impacts.

Acting now helps Sierra County go after bigger state and federal funding, instead of scrambling for smaller grants later.

Planning early lets the county manage growth in a way that supports tourism, creates jobs, grows local tax revenue, and protects the character of our communities.

Waiting increases the chance that growth happens without a plan, leading to missed funding and higher long-term costs.

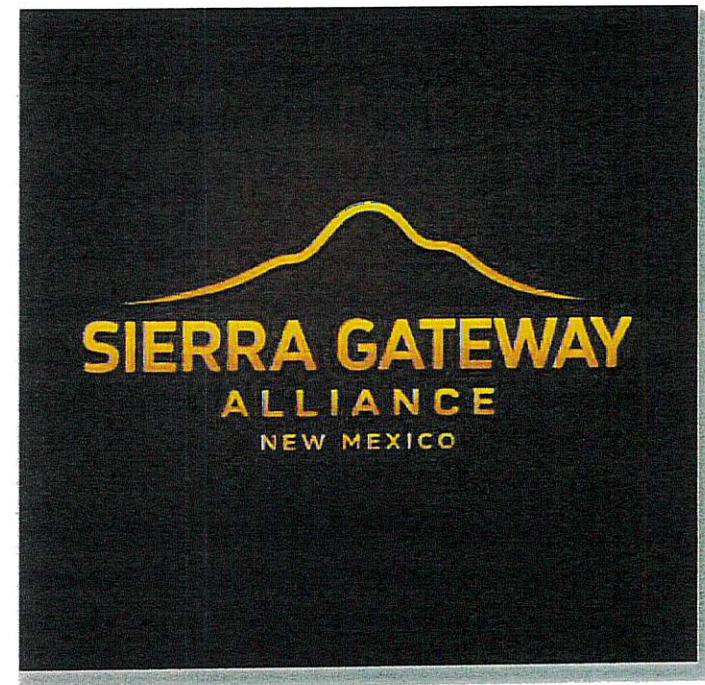


THE SOLUTION

The Sierra Gateway Alliance is planned to be a unified countywide public-private alliance that operates on behalf of Sierra County and its municipalities.

It is an entity that provides the scale, credibility, and flexibility to partner with state and federal agencies, as well as the private sector, to secure larger, higher-impact investments.

It is an entity that enables Sierra County to accelerate county-wide planning and implementation now, preparing the community for growth before demand reaches full capacity.



WHAT IS THE SIERRA GATEWAY ALLIANCE?

A non-profit that gives the county and cities a shared tool to work together, attract investment, and get things done ... without expanding government.

Provides a practical, coordinated way to manage growth and align public goals with private-sector expertise.

Focused on building a strong, year-round economy while protecting the character and quality of life of Sierra County.

Designed to support local governments by helping plan, fund, and deliver projects that benefit residents, businesses, and visitors alike.



WORK TOGETHER,
ATTRACT INVESTMENT • **GET THINGS DONE**

WITHOUT EXPANDING GOVERNMENT

WHAT DOES THE SIERRA GATEWAY ALLIANCE DO?

Partners with state and federal agencies and the private sector to secure larger, higher-impact investments.

Coordinates and expedites the planning, funding, and delivery of tourism, economic development, housing, workforce, and infrastructure projects.

Aligns public priorities with private-sector expertise to guide growth and decision-making.

Partner.
Coordinate. Accelerate.



Expedite **Tourism, Economic Development, Housing, Workforce, and Infrastructure Projects**



Align Public Priorities with Private-Sector Expertise

WHY IS THE SIERRA GATEWAY ALLIANCE NEEDED NOW?

Growth and investment are accelerating, increasing demand for jobs, housing, tourism, infrastructure, and services.

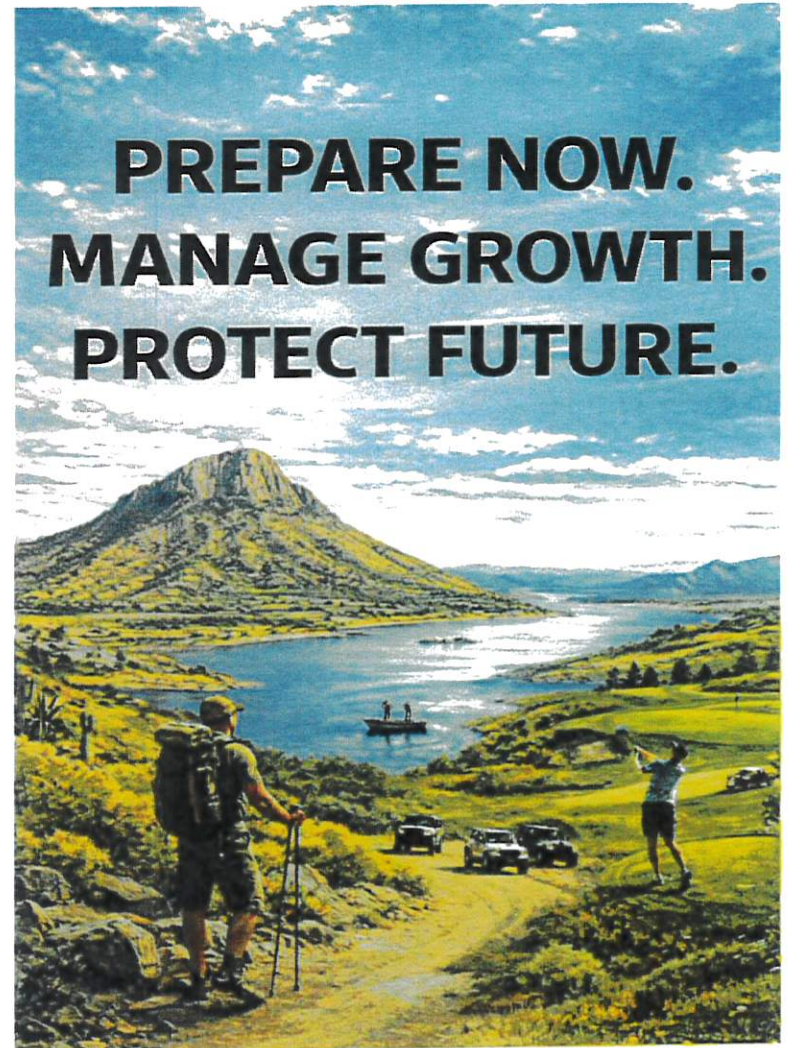
Existing local resources and government structures are not built to respond to this scale or speed of growth on their own.

Acting now allows the county to plan, fund, and build ahead of demand, instead of reacting after capacity is reached & costs rise.

The Alliance takes action that moves faster and at a scale no single city or jurisdiction can achieve alone.

Preparing now protects quality of life, strengthens long-term Gross Receipts and Lodgers Tax revenues, and reduces administrative burden on local governments, businesses, and residents.

The Sierra Gateway Alliance helps Sierra County get ahead of growth while there is still time to plan smartly, invest wisely, and protect the community's future.



**PREPARE NOW.
MANAGE GROWTH.
PROTECT FUTURE.**

STRUCTURE #1 of 2
Joint Powers Authority +
The Sierra Gateway Alliance



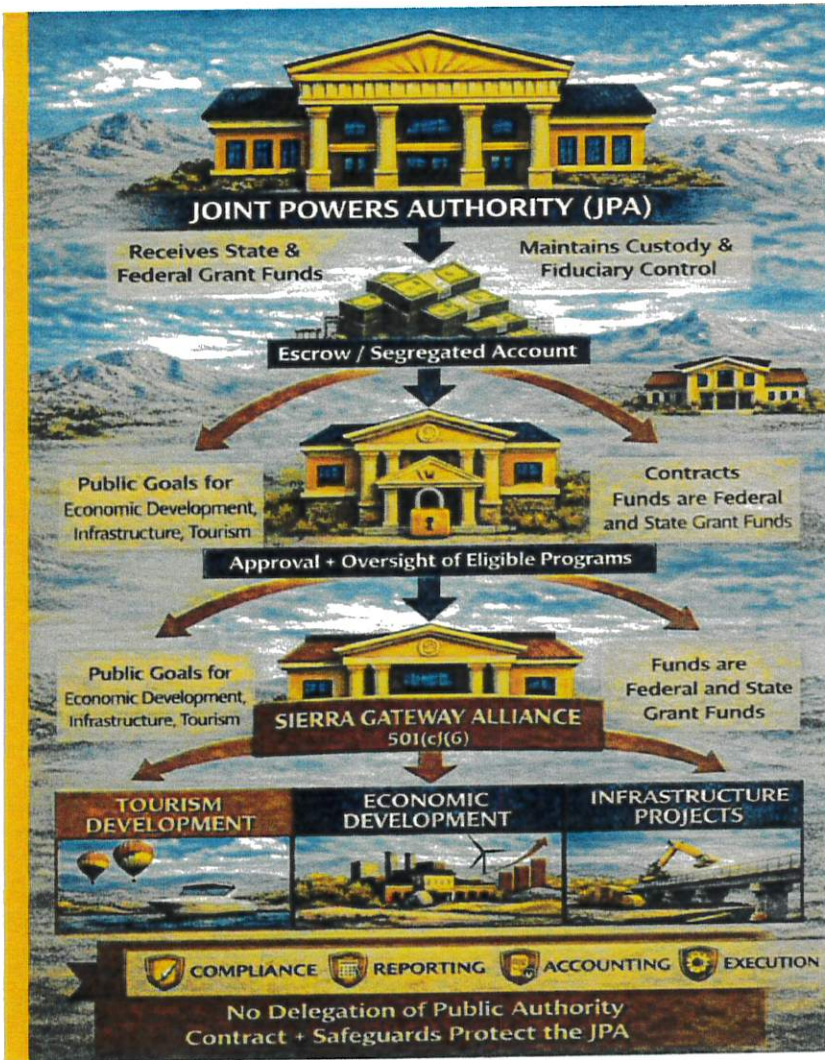
STATE OF NEW MEXICO



**U.S. GOVERNMENT
FEDERAL PROGRAMS**



JOINT POWERS AUTHORITY



The Joint Powers Authority serves as the public fiduciary, receiving state and federal grant funds into a segregated escrow account.

The JPA retains a reasonable administrative fee, consistent with national grant management practices, to cover fiduciary oversight, compliance reporting, accounting, audit support, and legal review.

The balance of grant funds is allocated to the Sierra Gateway Alliance (501(c)(6)) solely for the strategic development and implementation of approved programs focused on tourism, economic development, and supporting infrastructure initiatives.

Program authority is exercised collaboratively, with the JPA and the Sierra Gateway Alliance working together to identify and prioritize goals and programs that support a long-term, year-round economy, with all activities conducted in compliance with applicable laws and grant requirements.

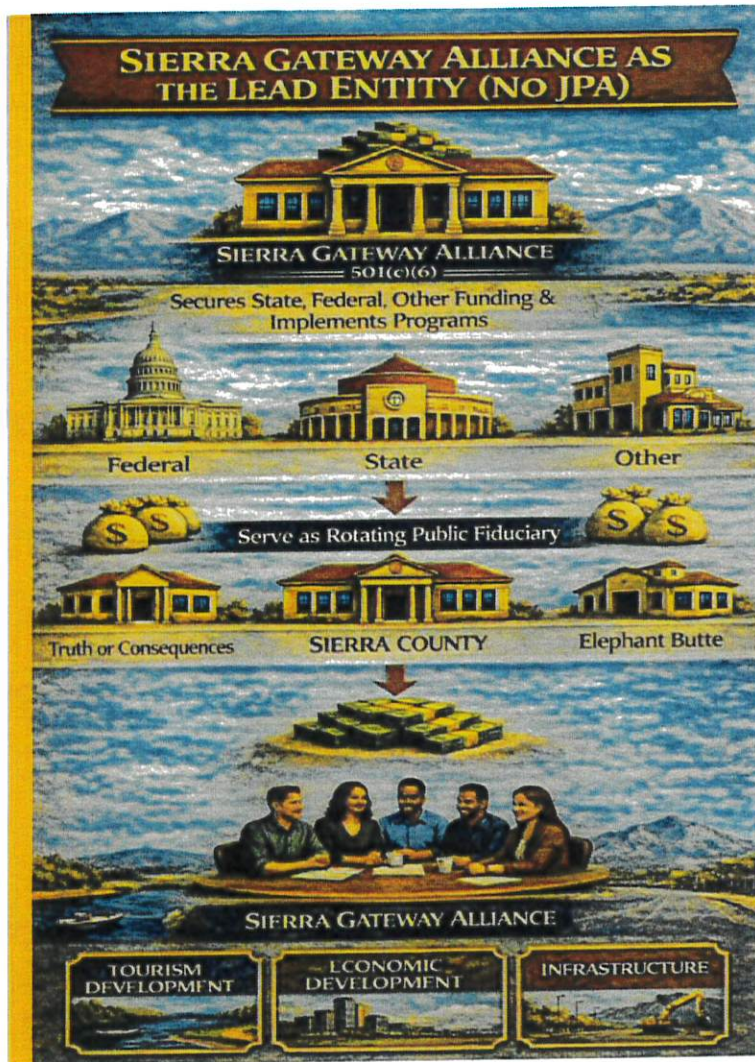
Funds are released to the Sierra Gateway Alliance and subject to performance, reporting, and compliance requirements.

Built-in safeguards, including insurance, bonding or completion assurances, indemnification provisions, and reversion of unspent funds, protect public dollars.

County and municipal governments do not have access to Alliance-managed funds, except for the JPA's approved administrative fee.

County and municipal governments may independently pursue grants, provided such grants do not conflict with or duplicate programs planned or implemented by the Sierra Gateway Alliance.

STRUCTURE #2 of 2
The Sierra Gateway Alliance +
County & Cities, No JPA



Sierra Gateway Alliance - Lead Entity (No JPA)

The Sierra Gateway Alliance is a 501(c)(6) nonprofit that leads the region for tourism, economic development, and supporting infrastructure initiatives.

The Sierra Gateway Alliance is responsible for identifying opportunities and securing state, federal, and private-sector funding for regional tourism economic development and supporting infrastructure programs.

Sierra County, the City of Truth or Consequences, and the City of Elephant Butte become members of the Alliance - annual membership fee is required.

For state and federal grant-funded projects, Sierra County or one of the participating municipalities serves as the public fiduciary on a rotating, project-by-project basis.

The designated public entity receives grant funds into a segregated escrow account and retains an administrative fee, consistent with national grant management practices, to cover fiduciary oversight, compliance reporting, accounting, audit support, and legal review.

After fiduciary processing, grant funds are released to the Sierra Gateway Alliance solely for the strategic development and implementation of approved programs focused on tourism, economic development, and supporting infrastructure initiatives.



Sierra Gateway Alliance - Lead Entity (No JPA)

Program authority is exercised collaboratively through the Sierra Gateway Alliance Board of Directors, which includes one representative from each participating municipality but does not permit municipal representatives to hold a majority.

Programs are prioritized to support a long-term, year-round economy and are carried out in compliance with applicable laws and grant requirements.

Funds released to the Alliance are subject to clear contractual performance, reporting, and compliance requirements. Safeguards including insurance, bonding or completion assurances, indemnification provisions, and reversion of unspent funds protect public dollars.

Counties and municipalities may independently pursue grants, provided such grants do not conflict with or duplicate programs planned or implemented by the Sierra Gateway Alliance.

County and municipal governments do not have access to Alliance-managed funds, except for the approved administrative fee retained by the designated public fiduciary.

PRIORITIES & TIMING

PRIORITIES: THE SIERRA GATEWAY ALLIANCE ACTION FRAMEWORK

Establish a public private alliance framework.

Form the implementing entity (SGA Lead or SGA + JPA)

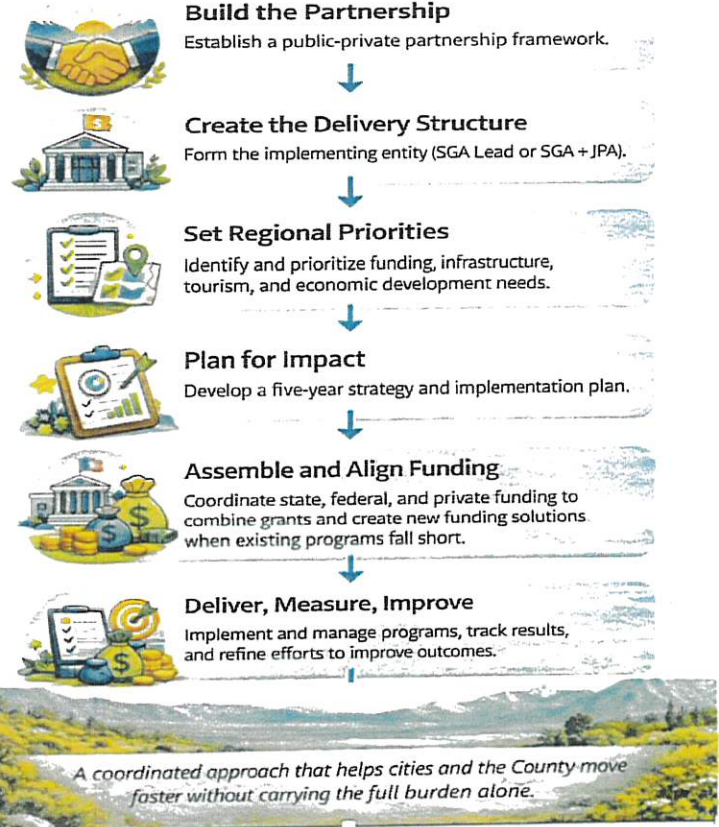
Identify and prioritize funding, infrastructure, tourism, and economic development needs.

Develop a five-year strategy and implementation plan
Coordinate state, federal, and private funding to combine grants and create new funding solutions when existing programs fall short.

Activate grant development, administration, and compliance capacity for standard state and federal funding programs
Implement and manage approved programs.

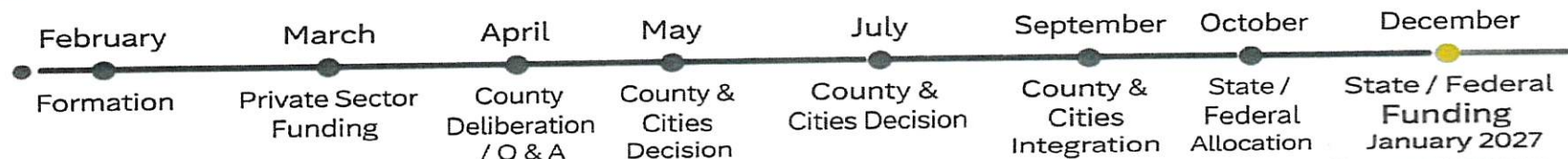
Measure outcomes and refine programs as needed to improve performance, alignment, and results.

How It Works



Sierra Gateway Alliance: Implementation Timeline Options (Estimated)

SGA Lead (No JPA)



SGA Lead (With JPA)



Both paths lead to full activation. The difference is speed, complexity, and timing of state and federal funding.

THANK YOU

Contact

Patrick Pharris
Executive Vice President
External Affairs and Strategic Development
PreReal Investments
(702) 491-7464
Patrick@PreRealInvestments.com

- Love Loves - Jobs GRT, from people passing thru
- Good on Mgt + Commission for not letting Ashbaugh talk you out of it if his gas station empire was against.
- Trucks will be over nighting up there. Might even eat at McD's Del Taco or La Boccia occasionally
- Maybe even the occasional hotel room at Comfort Inn
- Probably ~~top~~^{we} in top 10 GRT generators in TriCity
 Holiday Inn, Comfort Inn, Bar Z, Hospital, Walmart, Bullocks
 Brewery, Los Arcos, School District, Francis Loma ^{not all about} Town
 Frisbee Tommy, Glen Shore
- ^{occurs to me} Voted for 4 out of 5 of you. Will feel bad if things don't turn out well
- Be smart, ^{try} think of all outcomes, Don't say stupid stuff
- Swindle 5 yrs ago. Maybe we should sell the power co. might get 8 mil plus there's 20 mil in deferred maint. let buyers do their due Diligence. Don't say 20 mil needs to be fixed in public meeting
- A current Commissioner was quoted in paper in last 18 months saying public needs to get over the water thing. Trying to piss us off? Just because infrastructure bad all over country bad don't make us feel better.
- Viking funeral

TorC City Clerk

From: Tim kuzdrowski <hazzardrange@gmail.com>
Sent: Monday, February 23, 2026 10:56 AM
To: TorC City Clerk
Subject: Re: Public comment

Thank You

Here is the comment; everything below this line

Good Afternoon T or C City Commission and staff

Thank you for letting me submit this comment as my work schedule does not allow me to attend in person. Regarding the Sierra Gateway Alliance I hope that when the time comes, you will thoroughly research whether this is working anywhere else in NM or the US. Having been a resident of Sierra County for 19 years, I have seen the damage outsiders who don't reside here full-time have done to our county, like what Santa Fe did to our state parks or the downtown loop design or what D.C. has done to our forest and our ranching neighbors with the Mexican gray wolf. The county's roots are in agriculture and mining and now the non-tourism space is related, and T or C has been hospitality and arts. All of this supports the services we have in T or C, benefiting both city and county residents alike

I'm not against this idea but after listening to the presentation at the county commission last week...I urge our local governments to think long and hard about this as current residents and our youth—many of whom graduate high school and then leave, never to return—are affected. You can't control things that affect us at the county, state, and national level, but you can control T or C and prevent us from turning into places like so many others in the West where locals can't afford to live here and all workers are forced to live in places like Las Cruces. We already see this happening in some sectors of the job market..

Tim Kuzdrowki
P.O. Box 1445 Elephant Butte / County resident

On Mon, Feb 23, 2026 at 10:12 AM TorC City Clerk <torcclerk@torcnm.gov> wrote:

Good morning Tim,

We can absolutely submit your comments for the record. You may reply to this email with what you'd like to say, and I will pass along your comments to the Commission, if that works for you.

Thank you,

City Clerks Office

City of Truth or Consequences

TorC City Clerk

From: noreply@revize.com
Sent: Sunday, February 22, 2026 11:24 PM
To: TorC City Clerk
Subject: You have received a customer inquiry

whiche-mail-address[] = torcclerk@torcnm.org

first_name = Patricia Kearney

email = p-kearney@earthlink.net

phone = 5757404650

issue = Comment for city commission meeting: I am unable to attend the meeting on the 25th, but I have read the PreReal presentation document. Nothing PreReal suggests will happen is guaranteed to happen. Their projections are so dubious, I wonder if they themselves believe them or if they just hope we will so they can exploit us. Is this proposal a mask for something else, an underlying plan? Borderplex won't do anything for us. They're projecting jobs here from Project Jupiter in Dona Ana county. This makes no sense. PreReal predicts jobs and tourism from things unrelated to tourism—or from Virgin Galactic, whose promised tourism has never materialized and probably never will. But, if it actually does, would visitors stay here or in Las Cruces? Nothing PreReal says convinces me that they are reliable or trustworthy or even honest partners. The city should refuse to work with them.

preferred_contact = email

Client IP = 173.185.205.255

Torres, Angela

From: John Masterson <john@torc.beer>
Sent: Wednesday, February 25, 2026 2:55 PM
To: Hechler, Rolf; Mitchell, Destiny; Hoepfner, Ingo; Forrister, Amanda; Glines, Chaz
Cc: Torres, Angela; Marianne Blaue
Subject: prereal's Sierra Gateway Alliance

Greetings,

As business owners raising a kid in Sierra County, we have a vested interest in local economic growth and quality of life issues. I have a few observations and concerns about the Sierra Gateway Alliance pitch deck.

As a massive local property owner, Prereal Investments naturally has a sophisticated strategy to increase the value of its assets; gaining greater influence over public money and policy is an obvious part of that strategy. Might the community-at-large benefit if they are allowed to proceed? Maybe... But maybe not.

If their proposal satisfies you today and moves forward, consider asking these questions as the proposal is refined:

1. What are the credible sources of the presentation's rosy jobs and tourism projections?
2. Since municipalities are explicitly barred from majority control, who/what comprises the majority?
3. Who determines whether a city's independent grant application "conflicts or duplicates" an Alliance program?
4. Who appoints the majority of the JPA board?
5. Who appoints the 501(c)(6) board?
6. Are private investors voting members?
7. What removal mechanisms exist?
8. Will quarterly financial reporting be required?
9. What conflict-of-interest protection and recusal processes exist?
10. Are meetings and minutes subject to open meeting laws?
11. Is there any requirement for community engagement or oversight at all?
12. Will PreReal or affiliated entities be eligible to bid on or receive Alliance-directed contracts or grants?
13. If PreReal is providing initial private sector funding to stand up the Alliance, what does it receive in return — board seats, naming rights, preferred vendor status, anything?
14. Why is a private investment entity proposing and apparently designing the public economic development structure for Sierra County, rather than the county and municipalities developing this themselves and then inviting private participation?
15. finally.. where is MRGEDA on this? Aren't they the regional economic development umbrella we need? And what about SSCOG? And EDD?

I anticipate you'll hear from some residents today about loss of community identity, capture by elites, escalating housing costs, and a sense of disenfranchisement. All valid concerns.

Personally, I appreciated the presentation's bold vision; the promise of economic coordination and thoughtful planning is welcome. I have a stake in this community's future and want us to flourish. I want a great trail system, excellent schools, beautiful parks, and well-maintained infrastructure. I want front-line essential workers to earn enough money to live in town.

Change is coming, we just need to decide as a community what it looks like. I'm skeptical that the "Sierra Gateway Alliance," as currently presented, is the best path to create a future we can all look forward to.

--

John Masterson
Chief Beer Officer
Truth or Consequences Brewing Co.
575-297-0289 / 575-297-9797
<https://www.torc.beer>

Torres, Angela

From: Marianne Blaue <marianne@torc.beer>
Sent: Wednesday, February 25, 2026 2:54 PM
To: Torres, Angela
Subject: Public comment on PreReal Proposal 2/25

Commissioners,

RE: PreReal's proposal — I'm unable to attend in person today.

On an economic alliance - I 100% believe we need stronger economic organization and to be allied with other communities in the county to make a stronger case for funds and to get the benefits of our cooperation. That is something we currently lack and it weakens us. I wish we could work better together through leadership from the existing umbrella organizations of the COG or MRGEDA.

On the coming boom - If Sierra County is truly facing a near-term growth boom, then we should absolutely prepare in a coordinated and intentional way for that -- however, my assumption has been that Sierra County is facing long-term underinvestment and poverty, and that we need to build back by strengthening our assets and keeping things affordable over time. Now I'm wondering, which problem do we need to solve? We'll all be looking to you for the answer.

On private investment - we absolutely need it. I wish we were better economically organized with a strong vision for the future so that private investors could plug into our vision, rather than us restructuring ourselves to plug into theirs. An alliance with private investment may be wonderful and what we need to make things REALLY happen — but it must be with guardrails and in service of the things we want to see ten years from now. I know there is no decision on the table today, but in general please do not approve anything that relinquishes your authority as our elected governing body or makes another entity the gatekeeper of public policy or investment. We want you to lead us into the future, not PreReal or other outside interests.

On T or C's identity - I've always believed that T or C and Sierra County are fundamentally a quality-of-life location. No one who lives here is here to get rich. Our rural hospital, hot springs, desert landscape, retirees, boating, hiking, and fishing, and affordability — these are real assets. People want low-cost of living near the outdoors, easy to travel out of, strong local amenities, good schools, great community, away from the city. If we could focus on industry investment that fueled quality of life goals, that would be widely supported. Hiring a full-time grant writer or three to help would be widely supported.

Wisdom from the past - Here is vintage brochure from the past when our identity was much clearer, the communities were tied together, and all was tied to an economic engine of "health" that wasn't "new agey" or off-putting -- this was us at one time, we need something cohesive like this again: <https://sierracountynewmexico.info/vintage-brochure-hot-springs-new-mexico-city-of-health/>

Thank you,

Cheers,

Marianne Blaue
CEO/Owner
Truth or Consequences Brewing Co.

 [TORC.BEER](https://torcbeer.com)

 [INSTAGRAM](https://www.instagram.com/torcbeer)

 [FACEBOOK](https://www.facebook.com/torcbeer)