

**CITY COMMISSION MEETING MINUTES
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO
CITY COMMISSION CHAMBERS, 405 W. 3RD St.
WEDNESDAY, OCTOBER 8, 2025**

A. CALL TO ORDER:

The meeting was called to order by Mayor Rolf Hechler at 9:00 a.m., who presided and Angela A. Torres, City Clerk-Treasurer, acted as Secretary of the meeting.

B. INTRODUCTION:

1. ROLL CALL:

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

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

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

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

2. SILENT MEDITATION:

Mayor Hechler called for fifteen seconds of silent meditation.

3. PLEDGE OF ALLEGIANCE:

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

4. APPROVAL OF AGENDA:

Mayor Pro-Tem Forrister moved to approve the agenda as submitted. Commissioner Hoeppner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

C. PRESENTATION

1. Epilepsy Awareness Proclamation.

Mayor Hechler presented the Epilepsy Awareness Proclamation.

2. Proclaiming October 2025 to be Domestic Violence Awareness Month.

Mayor Hechler presented the October 2025 Domestic Violence Awareness Month Proclamation to the Domestic Abuse Intervention Center.

3. Water & Wastewater Cost of Service & Rate design study Presentation.

City Manager Whitehead: Our first presentation we are seeing today has been in the works for a couple of years, if I'm being fair. Obviously, dealing with all the water problems and the situations we've had, the Commission has set forth a process to take a look at our water rates to make sure they are consistent with other users, other systems, to ultimately find a way to make sure that we could cover the debt. As I've talked to you over the last six months, organizing the pot of money that you've accumulated over the last few years, it comes with a high debt. We're at about a 25% debt to grant ratio right now. This study will take a look at how we can potentially make sure that we can keep up with that debt load through the rates. Obviously, we need to be charging the rates that allow us to pay our debts, otherwise it's going to have to come from the general fund. To make sure that the process can be fair and transparent to the citizens, I know they've taken on some rates, you guys have done some increases in the past to try to solve some concerns. I have been in on the tail end, so I kind of added some time, I pushed our team a little bit hard on some items to make sure that we got to the right report, so you're going to have some good information here today. With that, I'd like to invite the team, Dave and Cari, up. I'll let them introduce themselves a little further, and then we will go over the report, and we'll have some questions. What I would also say, today this item is on the agenda for action. The action is, again, just like with the electrical study, to accept the report. This is the final step within their contract. Accepting the report allows us to finish the contractual side with our consultants, pay that contract out, and then we would like to move into the same process where we set up some public hearings in the evening, kind of let the public see what this study is, and give you guys time to digest it, before we actually make a move to implement it. What we ask the consultants to do is really look at it from an implementation standpoint of, during our next budget cycle. So, we have time to review it, time to look at it. If we are going to move to this, we would do this in our budget process where we would say, "Starting July first, these would be the new rates and the new structure going forward."

Dave Yanke and Cari Anderson, NewGen Strategies & Solutions, gave a brief presentation to the Commission regarding the Water & Wastewater Cost of Service & Rate design study. (Complete copy of presentation attached hereto and made a part hereof).

Mayor Pro-Tem Forrister: I was just looking at this bill (Slide 25 of the attached presentation), so that's a volume on six-thousand gallons, what is an average customer? Is that an average customer?

Dave Yanke, NewGen Strategies & Solutions: Yeah, we're using six thousand for a couple reasons, and thank you for the question. We're using six thousand gallons for two reasons: Number one is, there was a state survey put out within the state that was done with six thousand, so we wanted to keep it apples to apples, so you can compare and see how we are versus some of these other folks. That's one of the reasons we're using that. Typically, the average bill for a residential customer on the water side, for our clients we typically see anywhere from about five or six thousand to about eight or nine thousand, so your average water bill is usually inside that six-, seven-, or eight-thousand-gallon range. Wastewater is typically around forty-five to fifty-five hundred, so it's close.

Mayor Pro-Tem Forrister: Okay, I just wanted to make sure that when we're looking at these bills, and the comparison, that that's what the majority of our customers are using.

Dave Yanke, NewGen Strategies & Solutions: yeah, if you're looking at six thousand, that's going to be right in the sweet spot for your customers.

Dave Yanke, NewGen Strategies & Solutions continued the presentation to the Commission regarding the Water & Wastewater Cost of Service & Rate design study (Complete copy of presentation attached hereto and made a part hereof).

Commissioner Fahl: So, based on this, you're projecting out to FY29 and these rate increases, what are your recommendations, so we get to that point? We're at the high end, that 25%, say, for wastewater, then are you recommending that we stay that, like forever?

Dave Yanke, NewGen Strategies & Solutions: Once the rates go up like that, you revisit where you are, and we have a lot of our clients that do this on a five-year forecast period. I've been doing this a long time, I've had like three clients do rate decreases, and then they had to turn around and raise them back up. So, your rates will not go down because, one of the things is, you've got that debt service tied, and that's going out for an extended period of time, and then the bottom line is your system continues to age while you're fixing one piece, something else is getting old and breaking. I'm not an engineer, I don't know how many lift stations you have on the wastewater side, but those are significant when you start having to do replacements and major upgrades on those. What I would say to you is that you should, hopefully at that point then you're just going along with inflation, but that's where you have to see where you're coming in.

City Manager Whitehead: If I could answer a question on that, on the wastewater side, I presented a scenario that said we are going to need to upgrade. I've talked to you for a long time about doing some repairs on our system that would get us five to seven years, the vision that I gave them is, tell me how I can get enough revenue to get a loan for five

million dollars so that we can, in three to five years, start planning to renovate the wastewater treatment plant. That's what the 25% scenario says, in order to have enough revenue to borrow five million more dollars to renovate it, you're going to need to do this. Now, I won't steal the mayor's thunder, he will talk about water trusts, so we're trying to do a good job to find these revenues in the grant space. If we can find and generate these revenues over the next three years, then we could hypothetically come back and say, "We've found four million, we need one million, we can borrow it differently, and the rate could go to 15%." And that's what we talked about, so we know on the wastewater side, add it as we go, to see what we need for debt service. Now on the water side, with the increase, we put in the current debt of all the project we have, it's about \$400,000 a year that we have in debt service, and it's not going away, most of those loans are forty-year loans, so it's not proper for us to say, "Let's do this increase for five years and see where we're at." We owe the money, we've borrowed it, and we have to pay for it. Just a couple of numbers, it's more than just a rate study, you guys have raised a pot of money, we're at 25%/75% grant to loan, right now we've received \$43 million in grant money, that's a value of about \$7,000 per resident that you guys have brought in, I'm not going to take the credit, it was here when I got here. Those are significant dollars that we're not having to charge to fix this system, so keep that in mind. For water, it's not really going to change, we've got to find that balance and we've got to pay that debt. For wastewater, we have some room to work.

City Attorney Rubin: I guess my assumption would be, if we go forward, the city would need to amend our ordinances, I suppose.

City Manager Whitehead: I don't think that we looked into the semantics right there. Whatever the rate process is that would allow us during budget, whatever that process is, we would have to come forward with that to say, "These would be the new rates for water and wastewater." And we would take those, again back to the scenario I just gave, we would say, "Maybe this next year because we don't need to borrow, stay at 15% on the wastewater side." Or whatever the path leads us to.

City Attorney Rubin: I guess I'm thinking ahead, after we get to what you're talking about, we still have to come back and do some work here, I'm thinking.

Dave Yanke, NewGen Strategies & Solutions: If I can help answer that, so we have clients, a lot of the times what they'll do is, yeah, depending on where your rates are listed, whether it's in a resolution, ordinance, what have you, what I would envision you doing is, assuming you move forward, what I would recommend is you look at fiscal year 2027, and you're looking at the scenario two for the water rate increase, which is the 6% and 8% increases, I would definitely, 100% you've got to do that 25% on wastewater to start generating those monies, so I would recommend those rate increases for FY27, and then you look at the study again. This is why we provide a report, so Gary and Traci can pull the report out and say, "Well what did New Gen say?" Oh, fiscal year 28, this is what we're supposed to do." And it's in 2029, where again, on the wastewater side, that's where you want to see where things are coming in, like Gary said, if some of these things are moving, let's see where the dollars are coming in from

a revenue standpoint and a cost standpoint, but I will tell you, the first rate increase is always the hardest, but you've got to get that one for FY27, absolutely. Did that help answer your question?

City Attorney Rubin: Yes, I understand. I guess I was only thinking of how we implement something like this. Maybe I'm mistaken, I think we have all sorts of ordinances that set forth what the rates are. I would think we'd have to go back and revise.

Mayor Hechler: Well, we can adjust our rates if we get to that.

City Attorney Rubin: Okay, I'm just building the time frame.

Dave Yanke, NewGen Strategies & Solutions: It's a pretty straightforward process.

City Manager Whitehead: A couple of key points before I let you go, and then you can ask your questions. We talked a little bit about reserves, you might be saying, "Do we have reserves?" both water and wastewater are carrying just around \$1 million each, you've been able to accumulate dollars based on savings in personnel. These are all budget numbers, and they're not actual numbers. So, the savings that you have, and the money you're keeping in reserves have come through that process, but we do have about \$1 million each in each one of those. The last thing for the public, and for you, Traci did a really good job putting the information in about the other systems, so you can see that report that Dave spoke of that's part of the system where you can go see all the systems that look at 6,000 gallons, we can compare, and I'll just put on the table, we are in the bottom 25% of rates across 116 systems in New Mexico. We're in the bottom 25%, there are 116 systems that are higher than us. The average water rate is about \$50 across our systems. I don't know if the mayor will speak about it, but we were able to sit and listen to a water utility that was asking for money to drill new wells because their average bill was about \$275 a month. Because their wells don't produce, they have to pump, they have to bring water in, and they're paying off that system, like \$275 per month, and it was pretty sad to hear of the conditions that they're in when they're trying to ask for money. So, we're not close to that, we have a reasonable plan, we'll find the right structure.

Commissioner Fahl: I was just going to make a comment from a business sense, when you're laying it out like that, oh my gosh, well we really need to plan ahead. But for our constituents, and even for ourselves, looking at that large of an increase, we're all going to have a heart attack. So, I'm hoping, if we move forward on this, we really need to do an outstanding job on getting our community aware of the need, not like we're trying to rip them off, but we have to pay for these things.

Mayor Pro-Tem Forrister: And the wastewater, that's for 6,000. What about our small businesses that are using more? You know, that's going to hit really hard.

Commissioner Fahl: It's going to be big.

Mayor Pro-Tem Forrister: Yes, we see what needs to be done, and we don't want to end up where our infrastructure is not getting what it needs because we have pushed off rate increases. So, we understand that it's just a hard pill to swallow.

Commissioner Fahl: It's going to be hard.

Commissioner Mitchell: I think, with the community reaching out to us about our broken water leaks and infrastructure and disrepair, you know, this is something that is determined to fix it. And they need to be aware that if we're going to fix all of this, we're going to have to have the money to do it, and some of it is on them.

Commissioner Fahl: It's going to be hard. We're going to have to work really hard to sell this. I think just showing the numbers, like, "Here's the cost." and you know, we can't just wave a wand and say, "Okay, well we've got the money." But that's going to be a hard sell.

City Attorney Rubin: That's why I brought up the issue about the ordinances, if we have to go that way, of course it could be public hearings, etc.

Commissioner Fahl: Well, I think way before that.

City Attorney Rubin: Yeah, I get it.

Commissioner Fahl: Because you had said, Gary, didn't you say that we're going to do a lot of workshops and stuff about this?

City Manager Whitehead: Absolutely, yeah, we would try to keep that process going where we bring the public in, put it on the table, so that you guys can make the best decision.

Commissioner Fahl: Show them the numbers, I mean, just look at the black and white numbers.

Mayor Hechler: When I look at this, the way I think about it is that these are the numbers that are going to be, I won't call it status quo, but if we don't do anything, if we're not aggressive. We have to be aggressive going out and finding money, we have to be aggressive in trying to retire our debt, we have to be aggressive in figuring out how we're going to fund that sewer plant, and we're doing that, and we will continue to do that. There are a couple of things that probably aren't factored into the system, for instance aren't we in the middle of a meter replacement scenario? I don't know how that's going to affect our final bills, in many cases, I don't think the bills are going to go down, I think because the efficiency of the meters, some people's bills are going to go up, and that's going to have a negligible effect, but it's going to have an effect.

Dave Yanke, NewGen Strategies & Solutions: Yep. Typically, when you do a meter change out program, when meters are old, they under report. Rarely do they over report. So, you're going to start paying for some of that water you weren't.

Mayor Hechler: So that'll have somewhat of an impact. Another impact I'm looking at is, we're just going through the process of replacing 35,000 linear feet of water lines in the Veater street area, that'll happen over the next couple of years, I know that's on the city's side, but we have to pump the water that we're losing now, so that should also have an effect on the final bill that we incur, is that correct?

Dave Yanke, NewGen Strategies & Solutions: It should, I don't know.

Mayor Hechler: We lose about 20% to 40% of our water through leakage.

Dave Yanke, NewGen Strategies & Solutions: Yeah, and that's a high number, so it should reduce your loss and unaccounted for water if that's a problem area for line breaks, that should definitely help there.

Mayor Hechler: That'll help a little bit. You know, we're starting to chip away at it a little bit. The next thing I think I'd like to propose is that when we have an opportunity at the end of this month to talk to our legislative finance committee, and we've got our five projects that we're going to talk about, but one of the things we should talk about in general in the small communities in this state that are having to deal with these infrastructure problems and when we have success, we're very successful in getting water support from the state, and we've had \$43 million come to our state, but each component comes with a grant opportunity, but it also comes with a loan or a match. It gets to the point where we're looking at, well we can't afford to ask for another grant because we don't know if we can afford the match component or the loan component because we're getting leveraged out. So, I think it behooves every one of us to talk to our legislators and say, "Let's do something for relief for our small communities." Instead of, "Let's work on some debt relief and retiring some of this debt for our small communities so we can ask for things." So that we can move forward, and that would have a huge impact on us too, and I think we'll try to do that, and we'll put something together, I think it's the end of this month we meet with the LFC, so we'll try to do that. Those are a couple of scenarios I think we can work on to try to mitigate some of those issues.

Mayor Pro-Tem Forrister: And we have been going up in our rates. In 2023, I think we went up 9% and then 3% after, and then for wastewater it was 5% or something.

Mayor Hechler: Yeah, we have. We were thinking at the time, though, that's going to keep us up, and that's why we went up in those rates, but we know that's not true. What we've also painted was the worst-case scenario. That scenario would be that we have to borrow \$5 million to upgrade our sewer plant. If we can mitigate that with funding from other sources, we don't have to borrow \$5 million, and we'll work diligently to try to do that. I think I'll save that for my report, when it's time for commission reports, I'll talk a

little bit about what efforts we are making in that regard. This paints a picture, it's an eye-opener, it should be an eye-opener for everybody, but we have to assure our public that we're going to do whatever we can to keep the rates down as much as possible, we have to be able to function as a business, so we have to move forward, we may have to make some adjustments, but we're going to do everything we can to keep those adjustments minimal, and we'll look at it very closely to ensure that we're not saving too much money, I want to try to break even as much as we can. I know we have to have some reserves, and we will work on that, but we need to save as many dollars as we can for our public to make this as efficient as possible.

Commissioner Fahl: Well said.

D. PUBLIC COMMENT (3 Minute Rule Applies):

Ron Pacourek addressed the Commission with comments related to:

- I was listening to the NewGen presentation, and one of the things that really bothers me is we compare our city to all the other 115 or 122 communities in New Mexico. We are not them. We are different. If you compare things, our gross receipts tax is in the top three among those communities. Sierra County is in the top three poorest counties, so there is no consideration for the people in this presentation. It was all about money, money.
- The other thing is, I've found, when I was looking at it, when I pulled it up on the website, that there is a difference in the water rates that they used and what I got yesterday from the rate sheet from the utility office. There was a discrepancy there.
- On wastewater, they talk about a "15% increase minimum bill and volumetrics" where or how are they measuring the volumetrics? There are no sewer meters, there are water meters, but there are no sewer meters. There was no mention of December, January, February, and March. That's how we used to calculate the sewer rate, because that's when people were not watering their lawns or their flowerbeds or whatever. So, December, January, February, and March, those four months, you take those four months, throw out the highest one, and the three months are average, and that's how you calculate your sewer bill. I know you all know that, but that was never mentioned or brought into this presentation.
- There are no sunset laws in any of the utility ordinances, not one. Not a sunset clause on any of them, and when I looked on the website, I didn't see that this presentation was brought before the Public Utility Advisory Board during this year. Nine meetings that they had or are supposed to have. I would have thought that the PUAB would be involved with this. Anyway, thanks for letting me come and voice my opinion.

Deborah Clemente addressed the Commission with comments related to:

- This has nothing to do with the water or anything that's going on, it's more personal. I live at 37 N Canyon Rd in the canyon just off of I-25 in mud canyon. My husband and I have been there since 1996. What's happening is that since then, since we've moved here 30 years ago, there's been a lot more traffic on the road, the highway. The tractor trailers are engine breaking constantly.

Constantly, they're waking us up out of our sleep, out of my dreams, it's terrible. I called up Andrew Guerro from the state road department to see if he could get a sign, that would say, "Engine breaking prohibited" and maybe show a tractor trailer going. Because right there where I am, I'm at mile marker 76, and the road bends just a little bit right after that, and it declines, it's a little bit of a decline down. The trucks don't know that that's coming, and they quickly use their engines to break. What happened one time on Christmas eve of 2020, one of the tractor trailers couldn't stop and went right over the guard rail and right down my property. They had to use a crane to get them out. So, I was just here to ask if you can make an ordinance, because that's what Andrew said has to be in place, there has to be an ordinance before he can make a sign like that, there has to be an ordinance for engine breaking prohibited, if that's true. So, I was wondering if you guys could write up an ordinance and make the sign for the highway, because it's really for safety, too, because these trucks are coming down way too fast, right over that bridge. It's a racket, it really is, it's so loud, it's unbelievable at night, and during Christmas it gets even worse because of all the traffic and the trucks running down the road.

- One other thing, right there on the state easement, somebody threw a mattress out of their truck or car, and it's right there on the embankment, so I was wondering, I don't know who to call for that.

Becca Eza, MainStreet Truth or Consequences addressed the Commission with comments related to:

- I'm here with some quick updates, last month I was here asking you all to vote for our Levitt music grant proposal, thank you for your support, we had really great community support, and we ended up in the top 50 of over 100 people, or communities in the public voting round, which put us in the final finalist round, they're assessing all of the applications one last time and we'll find out in November if we get the grant, which would be three years of free outdoor concerts in Ralph Edwards Park. In the meantime, we've been practicing putting on concerts by doing these little miniseries downtown, we had a concert in August and one in September, called Dancing in the Streetlight, and we had good turnout for both of them, good feedback from the community on how those went. We did that in partnership with the city, hopefully next year we can continue that as maybe a little bit longer of a concert series.
- I want to invite you all to our next MainStreet business breakfast, that will be November 10th at 8am at Jones Street Secondhand. We do these quarterly and have them in a different business downtown each time. We invite any Sierra County business owners and community leaders, and it's basically just a socialization networking time, and then everyone has a chance to give updates and announcements about their business. So, if you're available that morning, please join us.
- Right after that, November 10th, we can walk a block down to Foch Street and see the construction that's supposed to begin that day, hopefully. I don't want to jinx anything, knock on wood, but we're really excited for that project to take shape. MainStreet T or C is working with New Mexico MainStreet on developing

some resources for the businesses that are affected, and for the community in general to help explain the project a little bit more, timeline, funding sources, and all of that.

- We awarded grants for our curb appeal microgrant program to nine businesses downtown that are each doing a small project that somehow improves the exterior appearance of their building, everything from a very tiny grant to just repaint some peeling paint, to a really cool mural that will be going up at a business. So, keep your eyes open in the next couple of months, those grants are starting to take place, and they should be finished by the end of November.
- Finally, I emailed you all yesterday the updated MainStreet at a glance. In that email, I included a link to a survey, if you could please, please, take 10 minutes, this is part of our annual accreditation process for MainStreet America and New Mexico MainStreet, they ask us to have feedback from our community partners, so if you could take a few minutes and fill that survey out for us to give us feedback on how we're doing, we would appreciate it. Thank you.

June Russett addressed the Commission with comments related to:

- I live here in T or C, and I am with Tree New Mexico as a Regional Planting Coordinator. We've supplied 250 free trees to Sierra County's tree canopy, I'm really happy to say that. Half of which were planted by our incredible citizen volunteer workforce.
- I would like to let the public and the local government know of our upcoming events: This Saturday, October 11th, we have a mini-planting event at the Veteran's Memorial Park, we are replacing 6 trees that have died along the Healing Waters Trail. That event starts at 10am and it's open to the public, we would like to have as many people come out as possible. Not only that event, but on November 15th, we will be planting 75 trees in the neighborhood just North of Ralph Edwards Park, East of Date, which Commissioner Mitchell and her GSAPP students have graciously agreed to cater again. With those 75 trees, we will also be having a tree care class and a giveaway, not on the same date. Formerly, we've had 2 large events, and the giveaway events were on the same day as the planting day, but the giveaway event will be on November 23rd. We will be giving away 80 trees, so planting 75, giving away another 80. On December 6th, we will have another planting event where we will plant another 75 trees in the neighborhood just East of Gold. On December 14th, we are having another tree care class and 80 tree giveaway event. We will be moving to the Williamsburg area next Spring, as that was the next most densely requested area. So, that's a lot of trees being added to our canopy, so we need that citizen volunteer work force to come out and assist us in those plantings. I have all of that information on our website at bit.ly/treeorc.
- On the waterfront, we are getting a lot of people declining our free trees based off of their concerns of their water bills, so I would love to see some conservation promotion for rainwater harvesting and graywater usage, and I cannot think of a better use for those two tools than trees. We are providing free trees, and I would love to see more of that. Thank you so much.

Ariel Dougherty addressed the Commission with comments related to: (Comments attached hereto and made a part hereof).

- Wyoming has 275 registered voters, giving them a representative and two senators who vote in congress. The District of Columbia, with almost twice as many registered voters, has no voting representation in congress. Republicans in the house put forth two laws governing solely the district, prior to their September 19th recess. One is to charge 14-year-olds committing crimes as adults. More draconian laws are planned for the district when the house goes back into session. Reconvening, postponed twice, is now scheduled for October 13th. It is really the Epstein shutdown.
- The president on October 3rd headed his truth social posting, "The party of hate, evil, and Satan." It is his long drumbeat demonizing democrats for "hateful political speech". There are almost 7 million more registered democrats across the United States than republicans.
- Last month, the supreme court sanctioned racial profiling, going against decades of work to stop such blatant discrimination. Almost 49% of New Mexico's population is Hispanic.
- Waving the flag and the 2nd amendment, many have fought against gun control – even though our children's school experiences are now seeped with gun violence drills. Are these people standing up as vehemently for the 1st amendment?
- You who swear an oath of office to the constitution, have you read it recently? Try the 4th amendment. It starts, "The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures..." and it goes on, "...to guarantee warrants."
- I have sought permission to make a formal presentation before this commission. It is your right to refuse. I do, however, question the mayor's stated reason – that he is "in disagreement" with the resolution. As an elected leader, I would want community engagement, not the squelching of discussion due to personal opinions. Some tens of thousands of local elections are taking place this November, including here. Many of those who foster community dialogue and live up to their constitutional obligations be the winners. Thank you.

E. REPORTS:

City Manager Reports.

City Manager Whitehead reported the following:

- It would be unwarranted of me not to talk about the water leak situation in our city. We have experienced a tick up since the beginning of July. An interesting phenomenon that we are finding is that a lot of our leaks we are finding are the service lines. They are not the main lines, again we are working on that, we've not made any changes, but we are finding most of the leaks are the lines that lead from the trunk to the meter. They're small leaks, and we assess them, we put them on a list. We've met this week with our staff, we're re-evaluating our process to make sure we're dealing with them first in, first out. It would appear that we have been bouncing around a little bit; we get, "Hey I got a call and

they've called 4 or 5 times, so we're going here." And then another one pops up, so I've asked the staff to be diligent to find a way to deal with them in chronological order, let's stay with it. And then of course if we find one that is significant, that they are attacking those, if you will.

- We are excited to be upgrading the Daupler system. I've been fortunate, because I've had a few calls to fix some problems, so I've used Daupler so that I can get in and see what's happening. We seem to have a condition to were, for some reason they're not providing us the information to contact back. So, we're going to change that, we've put that in place. I did make a call on Saturday, the person asked for my information, didn't ask if I wanted a call back, said, "Someone will be calling you back." And I liked that, I did get a call back from the staff at the end of the day that indicated they had gone to the site, they had taken care of it, and they did that. We're going to try to do a better job to make sure that we get it, either we can text, call, or email the person that called in the leak, so that we can do a better job communicating on that particular system.
- If you look over the next three months, starting today, we will not have department heads report to you. We had to go up to the water trust board the first week on Wednesday, so I had to move the department head meeting. What we've done for this quarter is, I'm going to continue to meet with the department heads, but we won't be having them come and report to you, that will start back in the first quarter of next year. We kind of feel like we're a little up to speed, but we're going to take that off the agenda for the next three meetings.
- We will be attending the infrastructure conference on November 7th. We just came back from a very good municipal league meeting. It was very productive for us. Very humbling for us to be in the town of Ruidoso, obviously, finding out that it was there was really a draw to help with some revenue for that community. But to be there and see their city manager and their staff, the work that they've had to do, and the challenges that they face, they make things make sense. We were there and we had 2 flash flood warnings that day with them, so we had to stay, and then actually one happened, and you could see the devastation. It didn't hurt a lot, it just went through the runs, and there was more debris, the crew was out, and they got the roads opened back up within a few hours, so I mean, we all have problems, that's what I came back with is recognizing that we have challenges here, but everybody does and sometimes they're really more than what we're facing. So, kudos to those folks and staff in Ruidoso.
- You approved us putting in a payroll process. This is the first week that the staff should be seeing their paychecks increase. Clearly, we expect that we might have some challenges, we haven't seen that. Alona has just worked diligently to make sure that this is put in, and the finance staff work hand-in-hand to make sure that it's in. So, congratulations to you, and the staff thanks you for that process.
- To finish up, the street department has really made a big effort to try to get these potholes fixed, we've patched a lot of water cuts, they've been diligent, they're cleaning up banks, they've just been working as hard as they possibly can. We're getting ready to start some new repairs, so they're going to be busy.

- Across the system, I just can't thank the department heads enough, they're all working hard, trying to stay ahead, it's just a bunch of things.
- I will close by saying that we are continuing to find a way to try to get a street sweeper. We thought we had one rented. We tried to put in a process where we could rent one, and we were going to try it for July and August to see, but the rental company just couldn't get us one. They wanted us to rent it for 6 months rather than 2 months. I received some quotes yesterday on a potential lease, and Jocelyn has taken the lead to try and help find different ways that we might be able to buy or come up with a different process. The streets just aren't where they need to be, I get it, and we will continue to try to find a solution for that.

City Commission Reports.

Commissioner Fahl reported the following:

- I just wanted to report on the Sierra County Recreation and Tourism Advisory Board that I represent you on, we had a meeting just yesterday. I wanted to mention a couple of the highlights.
- I don't know how often you guys go, so we help fund them, the \$12,000 that we give them, that helps to put that website on, the sierracounty.info website. Anyway, Ruanna is our webmaster and gives a very detailed report. The report even talks about where they think people came to look at our site from, what different parts of the site they want to look at, it's very detailed. Our group only meets once a quarter, so for the quarter they had 90,000 visitors to the page, so that's a substantial amount of people that look at those. Did any of you go to the Spaceport open house? I didn't get to go because of the issues in our home, but I'll say one thing that I thought was rather funny. Kim and Gina went and there were a lot of people there, you were supposed to get tickets, they didn't check you to see if you had tickets, and they had everybody park in that dirt parking lot there.

Mayor Hechler: Did they shuttle them in?

Commissioner Fahl: No, you had to walk. And it was hard for handicapped people to get through. Whoever was parking them didn't do a very good job. I don't know if you guys have been out to Engle very much, but it gets really bad out there when it rains. They said that they had a huge turnout at Spaceport, and they had lots of vendors. They said there were a lot of sciency type of people there. So that should be good, right, because that's what you're looking for, but unfortunately, there was nothing there that really told people what is going on at the Spaceport. It would have been nice, and I don't know if you have contacts, Rolf, or you, Gary, but they were hoping that if they do this again next year, because they haven't done it for a while, that maybe they have, because the tenant center there, maybe they should have a booth and talk about what they do because if you went there to learn about the Spaceport, that's not what you got to learn up there, so that was too bad. The Spaceport tours that come from our visitor's center, they haven't been going on for a long time because there was some discrepancy between the guy that takes people on the tours, and how they get tickets, and that was

just a fiasco, but now you can get tickets online, so for the first time in a long time, they got to do some tours. They used to do 2 tours a month from the visitor's center, and they were full, but for the last 6-8 months, they really haven't been on the way you would hope, because [Commissioner Mitchell] volunteers down there, almost non-existent. But they're finally going to start booking them online, so they think that will be a good thing and should increase that, get people out there.

- The trail system and the grant that we're getting for Jornada, we're finalizing the verbiage for signs, so we meet next week, and we should have that finalized, and then we're going to get them over to Mo so he can do the graphics and get them submitted. So, we're moving forward on that.
- I just wanted to give a brief little update on our helicopter from my Veteran's Museum hat that I'm wearing, and the city. Gary, Maggie, and I met a few days ago, we talked about how we're going to move forward with getting it installed. The platform estimates are a lot higher than any of us had thought they would be. So now we're going to have to be ingenious about how to find ways to get it moving. It's still sitting out there, but we had hoped we could have it installed by Veteran's Day and all of the celebrations, and we're not going to be able to.

Commissioner Mitchell: It's still there, though?

Commissioner Fahl: Yeah, we still have it, we have hopes for next year.

Commissioner Hoeppner reported the following:

- Voting time is here. Early voting has started for multiple positions for Sierra County, including the school board, which I believe is very important for securing a good education for the children who are our future. We also see that the federal government is giving more and more power to the state when it comes to education, that is why it is very important to choose carefully, to have a good school board, we have a lot of qualified people who are running and can make a difference. We have the opportunity to get good people on our school board, and I would like to encourage everyone to go out and vote. This is the power that we, as citizens, have, to voice our opinions.
- On a good note, Art Hop is coming up this Saturday. We are doing something new, which is our Glow Fest 2.0 at the Healing Waters Plaza, you should be able to hear the performance. The galleries will all be open, you can come to meet the local artists and everything. So come to join us, we have this celebration once a month, and we, as business owners, are very welcoming to everybody because our community is very important, and we should get together and celebrate. It's good to slow down and enjoy the moment and celebrate life.

Commissioner Mitchell reported the following:

- I wanted to report that I attended the Municipal League training in Ruidoso with Gary and the staff, and it was great to be in a room with pretty much every

mayor, commissioner, trustee, chief of police, and judge, in the entire state of New Mexico. The conversations that I had with individuals and groups gave me an understanding that all of us, regardless of our sizes, and all these cities, we're kind of in the same boat, and we're all kind of facing the same problems. If I was playing bingo at that event, the number of times that affordable housing came up from every single district, every single corner of the state, it kind of drove home that that is a huge issue that everyone is facing, it's not just us. The infrastructure needs of the different cities and communities, some people consider us lucky with our streets, the way they are, and that's sad, but you know, it was really eye-opening to see that we are all kind of facing the same problems and we learned from each other's approaches. One of the last trainings we went to, someone gave a presentation on our animal ordinances, I got a copy of that and sent it to our city staff and said, "Hey is there any way we can copy this or pull from this, or use it as an example?" so I just think that attending those conferences is really important for us, as commissioners, and city staff as well. One of the parting gifts was this bear, Smokey Bear, it is a card holder, and I walked into the city, I saw that in 3 people's offices, and I just thought it was awesome.

- I also wanted to give a huge kudos and congratulations to the 18 graduating students from GSAPP. These kids started in January and worked extremely hard and have earned their high school diplomas. It is a high school equivalency diploma from the NM Department of Higher Education. I thought that at the end of their journey, they would get their diploma and go get a job, no, now I have 7 of them that are going to college starting in January. I just think it was an amazing journey through that program, and I just wanted to offer them congratulations on their graduation.
- One more thing, on the community. This is the season for events, for Trick-or-Treat Downtown, Old Fashioned Christmas, Luminaria beach walk, holiday singalong, we're just moving into all these wonderful events, and the weather's been great. I just encourage the community to get out and enjoy them. All the events that we've been doing, from the music concerts to the Fall Fiesta, seeing people out in the community, downtown, supporting businesses, it has just been really fantastic. I just want to encourage everyone to keep coming out and continue to celebrate Truth or Consequences.

Mayor Pro-Tem Forrister reported the following:

- I know I have been MIA for a couple of meetings, but I wear multiple hats within our community, I am one of our 4H leaders. So that's where I've been at the last couple meetings, supporting our 4H kids at state fair, southern fair, and then I'm sure most of you know that we just wrapped up our county fair. Sale night, we gain about \$350,000 and that goes directly into those kids' pockets, and then add-ons come in, which I think now are totaling at about \$450,000 that goes directly to those kids. Such a supportive community, love being a part of it, and that's what pulls on my heartstrings a lot.
- I'm going to go to our school board meet and greet tonight at the high school cafeteria at 6:00pm, so for anybody that would like to go, I think they are going to offer up a box where you guys can ask questions to any of the candidates. Again,

one of our biggest powers we hold is being able to vote, so go out there and get educated on who you're going to be voting for.

Mayor Hechler reported the following:

- I want to thank you commissioners for being so engaged in our community, for doing the things that you do, it's important to represent the people that put you here, so thank you for your engagement.
- I also want to give a special shout out to Destiny. When she mentions the GSAPP program, she didn't mention that she's the one that coordinated it, and she's responsible for these kids. These kids have a future because somebody cared. So, thank you.
- Last week, manager Whitehead and I travelled to Albuquerque to the Water Trust Board. I'll make this story short, but we didn't know whether we should apply for Water Trust Board money because we're not far enough in our previous project to be able to apply without a waiver. We have a \$17.6 million project going up to our community for 35,000 linear feet of water for the Veater Street area, and all the metal streets. We're only 5% expended on that, but we didn't get the information until January, so we're in that process. We've got about 30% of our engineering done. We had a discussion about whether we should even go for it because we had to get a waiver, and we didn't know if we would be successful, but I think the general consensus was, you've got to swing for the fence. We need to do stuff for our community. The first thing is water. We got a lot of funding for water. The next thing is wastewater. Traci did a nice job putting our package together, I really appreciate those efforts, the paper was concise and clear. We presented our waiver request, it's in the form of – we're only 5% there, 30% of engineering is done, but we're going to have all of our engineering done by next April, and then shortly after that, within about a month and a half or so, we can go out to bid for the project, and then it takes about 18 months to get that completed, so by the end of 2027, we should have the metal streets done, which is beyond the grant limit, but we'll ask for a waiver for that. We put that all together in a request, there were 39 different communities that requested the waiver, so I didn't feel guilty or bad, and we also requested the waiver because we had an administrative order for our sewer plant. Basically, the EPA came down and said, "You have a violation here, here, and here." We were concerned for our community, and we were concerned for our sewer plant. We were granted our waiver, not everybody was, but what they do is they go through the process and rate each one, and the higher you rate, the better off you will be. I feel confident that we had some pretty compelling issues. Just in general, there was \$300 million available, and \$500 million in requests. We were granted the waiver, so we stuck around, I think Gary and I sat in the chair for about 7 hours straight, to do a 3 or 4-minute presentation. It was educational because we got to hear all the other communities and the issues they were having. I will tell you right now, we are head and shoulders above a lot of other communities and what they're doing. Administratively, we're sound, we're responsive, we do the things we're supposed to do. I always have this little saying wherever I work, that it's not on my desk, so when we get things here, we turn it around, we get it back, and we

do a great job of that. That's partly why the people at the Water Trust Board know us, they ask questions like they are familiar with us, so that was kind of cool. We asked for a \$2.522 million project to upgrade our sewer plant, that includes replacement of the secondary clarifiers, the weirs, and the launderers. It also includes the aerator replacement and oxidation ditch improvements. It also includes the effluent lift station and headworks upgrades. We still have guys going 14 feet underground to clean the headworks, which is dangerous, they have to wear aerators, and we need to get out of that. That was compelling. We also made the argument that it affects not only our city, but it affects the Village of Williamsburg, which is a very important component of what we do. We made that presentation, and I feel fairly confident that by the time we are rated, I think we are going to get an affirmative down the road, it felt pretty good, they asked the appropriate questions, so I was able to present, Gary came up and helped answer the questions that I couldn't answer, and I think it worked out pretty well, so I'm hoping that this will work. But that's part of the \$5 million, if we get it, that we won't have to borrow down the road. That's why it was an important ask, and I'm hoping that we will be successful. I think we will be, but we will find out in a couple of months, and we will move on from there.

City Attorney Reports:

City Attorney Rubin had no reports.

F. CONSENT CALENDAR:

- 1. City Commission Regular Minutes, September 10, 2025**
- 2. City Commission Regular Minutes, September 24, 2025**
- 3. City Commission Workshop Minutes, September 24, 2025**
- 4. Acknowledge Regular Recreation/Golf Course Advisory Board Minutes, June 2, 2025**
- 5. September 2025 Accounts Payable**
- 6. Take Home Vehicle Form: Police Department**

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

G. ORDINANCES/RESOLUTIONS/ZONING:

- 1. Discussion/Action: Resolution No. 16 25/26 Budget Adjustment Request.**

Jocelyn Holguin, Finance Director: We have 2 on our docket today, we are increasing the debt service for the Bank of the Southwest for the water system improvements. We are doing that \$60,000 but we don't think it's going to be \$60,000. We initially budgeted \$20,000 and we've already exceeded that cap. This is just to get us through until completion, and then we'll modify it as we get to the ending point of it, but this is just so we don't have to keep coming back to request it. Item 2 is for the wastewater treatment plant improvement grant. We got a notice for it, so we're putting it on the docket for approval, and once Traci gets the final documents, we will move it forward to the state for their approval. I stand for any questions.

City Manager Whitehead: I always want to kind of keep us on track, so on the first item, that is an interest-only payment that we have to make to Bank of the Southwest on the USDA loan portion, and we will be receiving that interest back once we close out the loan, USDA will reimburse us for the interest that we have to pay, so we are utilizing the 315 account, which is our savings account, to pay those, and then we'll pay those back. That is kind of a revolving funds, and we weren't sure exactly, we weren't clear on that number when we estimated for budget, so it's not money that's going away, it's just a process that we had to put in, so that's the way Jocelyn wanted to handle that. The second part is the first step toward our wastewater plant, which we'll talk about a little bit more later, it was supposed to be \$1 million, but it's \$990,000. Somebody borrowed \$10,000 from us. Anyways, we'll talk more about that in a minute.

Commissioner Fahl moved to approve Resolution No. 16 25/26 Budget Adjustment Request. Commissioner Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

2. Discussion/Action: Resolution No. 17 25/26 Supporting the Submission of the Grant Application to NMDOT for FY25 EV Infrastructure Grant Funds.

Assistant City Manager Alvarez: This is just paperwork processing. You guys know about the grant and the award that Bo worked hard and received for the EV charging station, so in order to proceed forward with construction of those funds, we just have to have the resolution approved by commission supporting that application and accepting that award, so that we can do the notice of application and get started on it. With that, I will turn it over to Bo.

Bo Easley, Electric Division Director: This is the same contract that I presented to you last month for DOT. I'd like to go back to the very last couple pages of the rendering of the car charging station of what it will look like, just to give you guys an idea. Other than the palm tree in the picture. There's a version of it during the day, and then at nighttime, we are planning on putting solar panels on top of the roof of it, so we'll be generating power also. I think this is a good design, it looks pretty sharp. Gary, Jocelyn, and I have

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all gone together and talked about putting a washer in, so while you're charging, you could wash your windshield there, and maybe a picnic table also. I think it's going to be nice.

Commissioner Mitchell: They can go across the street to the Healing Waters Plaza.

Bo Easley, Electric Division Director: They can go downtown to the restaurants too.

City Manager Whitehead: I'll just steal a little bit of his thunder, the crew agreed that the aesthetics need to match the Healing Waters Plaza. Bo has given that information to the design team to say, "However this looks, we want it to match the area." They did a good job.

Bo Easley, Electric Division Director: Also, when Traci designed Foch Street, too. So, whenever they do Foch Street, it'll kind of be the same style too.

Mayor Hechler: That'll be a nice addition for the downtown area.

Commissioner Fahl: It's exciting.

City Attorney Rubin: We agreed yesterday, just to slightly revise the left paragraph of the resolution. Does everybody have the revision?

Mayor Pro-Tem Forrister: Yes.

City Clerk Torres: It's in the packet.

City Attorney Rubin: Okay, everybody did get it, okay. Just wanted to make sure you're aware.

Commissioner Fahl: After we do all the paperwork, then what's our timeline? When are you thinking it's going to be ready for use?

Bo Easley, Electric Division Director: DOT came up with the rule that it must be done within a year. So as soon as we sign the contract with Somos Solar, we'll start moving forward with it.

Jocelyn Holguin, Finance Director: When I spoke with someone from Somos, they said they're expecting it to be done tentatively in March or April, but they know we have to have it completed by June.

Commissioner Fahl: That'd be great. And to have it done before Fiesta, if we could possibly get that done, that'd be awesome.

Mayor Hechler: Bo, I notice that there's a network management fee of \$13,000 is that reoccurring or is that for the whole project, do you know?

Bo Easley, Electric Division Director: I believe that's going to be for the whole project, I'm not sure on that.

Mayor Hechler: And then if it had any issues, it's under warranty or guarantee, right?

Bo Easley, Electric Division Director: Yes, sir.

Mayor Hechler: So, would you call somebody to come down and there would be no additional charges for that?

Bo Easley, Electric Division Director: Yes, no charges.

Mayor Hechler: Do you know what the longevity of this thing will be, generally?

Bo Easley, Electric Division Director: According to DOT, we have to have it operational for 5 years.

City Manager Whitehead: The system comes with a 5-year warranty on the system.

Mayor Pro-Tem Forrister moved to approve Resolution No. 17 25/26 Supporting the Submission of the Grant Application to NMDOT for FY25 EV Infrastructure Grant Funds. Commissioner Hoepfner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

3. Discussion/Action: Resolution No. 18 25/26 Authorizing Submission of an Application to the NMDOT for FY26 EV Infrastructure Grant Funds.

Bo Easley, Electric Division Director: DOT is going out with another lump some of money for EV car charging stations, so with your permission, we would like to go forward to get another grant from DOT, we could put this right next to the one we have now.

Commissioner Fahl: You had said that initially, that you were hoping to get up to 4 cars, right? You had room for 4?

Bo Easley, Electric Division Director: Yes.

Commissioner Fahl: That would be cool to get.

City Manager Whitehead: Just to give you the process, Bo and the team were successful at getting the first grant. The team concept with Bo's project, he's managing it, Traci's taking care of the paperwork side, recognized that it asked for a resolution in the document, so that was step 1. Then recognizing that Bo wanted to get a second one, so we would have the ability to have 4 car charging stations under the same, so

we're just getting ahead of it in this case, we're getting the resolution out. They'll make the application, so we'd get the second grant, then we'd have 4 car charging stations. When we had this meeting to talk about it, the team came up with the idea to just take the entire area and make it into a whole parking lot where we could shade structure it and add solar, where we could feed plenty of solar into our car charging stations. So, we will be working along those lines, so that's the path forward. You'll be potentially approving the first contract, to get that done, and then if we get the second one, we could potentially just move right into closure. So, we kind of developed a really cool process with everybody working together and supporting Bo on this project, so we're pretty excited at what's going to happen now.

Mayor Hechler: For the fluidity of this project, is that transformer that you pointed out, is that going to service the addition as well?

Bo Easley, Electric Division Director: Yes, sir.

Mayor Hechler: So, you don't have any more upfront costs if the core is there?

Bo Easley, Electric Division Director: No, sir.

Mayor Hechler: If we are successful in the second grant, you're not going to be able to build them both at the same time, right? We will have to wait for the second addition. Or do you think the timeliness of it could work?

Bo Easley, Electric Division Director: We'll probably have to wait to do the second one.

Mayor Hechler: Alright.

Commissioner Fahl: What's the scoop on the palm tree? Were you able to save it?

Mayor Hechler: We had 2 resident experts, one from NMSU, one from a Nevada University that came down and helped us out. We discussed the palm tree, and that palm tree has several relatives right next door so it's not unique. We think it's probably going to be cost-prohibitive to move it, moving a mature tree like that in that condition would be very expensive. The tree is getting ready to go to seed, so what we will do is harvest those seeds, and we will make those seeds available to the public, along with instructions on how to plant the seeds, and then maybe we can have some palm tree offsprings in our community and other places. We're one of the few places where those trees actually thrive and that thermal waters don't kill. People thought, "Oh my gosh we're planting palm trees in the plaza, they're going to die." But look at them, they're doing pretty well. So, we will be able to save some of the offspring, but I think we're going to have to take that tree down to be cost-efficient. But we sure tried to figure out a way to move it.

Commissioner Fahl: Thank you for trying.

Commissioner Fahl moved to approve Resolution No. 18 25/26 Authorizing Submission of an Application to the NMDOT for FY26 EV Infrastructure Grant Funds. Commissioner Hoeppner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

4. Discussion/Action: Resolution No. 19 25/26 Authorizing Project SAP 25-J2460-GF Wastewater Plant Improvements.

Assistant City Manager Alvarez: I will lump my explanation of G-4 and H-1 together, you will have to take separate actions, but I will give you the background on both. This pertains to the New Mexico Capital Outlay Grant Agreement for the Wastewater treatment plant upgrades. We received \$1 million, and of that, \$10,000 was allocated to art in public places. As part of the grant agreement, there's a resolution that is included within the agreement, I separated it out, so you have to execute the resolution for item G-4, and then H-1 is executing the grant agreement itself. With that, I will turn it over to the city manager to talk a little bit about the project and process.

City Manager Whitehead: Thank you, Traci. The first thing I would say, as I have said, I'm disappointed I lost \$10,000, but it's going to the police department, just to remind you, we're getting ready to get that project started, we're really close to being able to present. We have to do art in public places, and the chief's idea is to take the center of that building and make it really an art gallery. It would be open to future Art Hops, and it would be welcoming and inviting as you walk in. The \$10,000 and the other projects we received in capital we're allocating, and we've already been given permission to move those to those places. The chief and the mayor will have almost \$18,000, really to work together to come up with a strategy to make that an art gallery, so we're excited about that piece there. As it relates to the water treatment plant, we did make a request last year to the governor for \$4 million to upgrade the plant, the governor granted us \$1 million, it has taken a minute to get that here, but this all falls into our overall plan of that \$5 million ask. Currently, we have \$400,000 that we're going to use to try to work on the vac station, we're close to getting an RFP out so we can get that project started. We have just under \$500,000 for the headworks, not enough to do everything we want, but it's there, and this \$1 million will help us replace the weirs that need to be done. Then, if we can get that \$2.6 million that the mayor spoke about, we can bring all that together and really set our system up well. That's what this project is, we hope to be able to move quickly, we have spoken with the environment department about being able to take this \$1 million, put the weirs off of the 2018 design, they were supposed to be stainless steel, they put fiberglass, which is the problem. So, this \$1 million is going to be put to work just as soon as Traci can get all the documents put in, we can get the engineering stuff, and then Jocelyn would help us get it either out to bid or off of a CES contract and get step 1 done. This is a part of that \$5 million we just talked about in the sewer discussion. If we get all this done, we might not have to raise rates to that level. With that, we all stand for questions.

Commissioner Fahl: I have a question, Gary, on the vac station. Is that on riverside, are we fixing riverside?

City Manager Whitehead: It would be the entire system, so the project that we will try to do, is to take all 51 pits, and part of the problem is that they don't have any sealant from exterior, so when it rains or they get excess water, they fill up, and then that creates a problem. So, step 1 would be to take all 51 pits, rebuild them, get them so that doesn't happen, and then we think Hagen Street, which is the upper end by the rodeo arena, is the cause of the problem, that line. That's what the crew and the engineer believes, so when we have downstream problems, it's because the vacuum is not working properly at the highest point, so it can't suck anybody else's pits out, you know, take the vacuum and work. So that's our strategy on the Vac Station, is to replace the line on Hagen and replace all 51 pits so we don't have that problem. Again, we think we have the money to do that, using GO bonds and the grant. As soon as we get the engineer, Jocelyn has been working hard on the RFP, so as soon as we get that, we're ready to get that going. We recommend approval.

Mayor Hechler: We should have started with this before this morning's presentation. This is why we do fee studies, one of the reasons. It kind of sets the table, if we have no actions, this is what is going to happen to us, and we've been pretty aggressive in actions, and as a result, we get \$1 million there, we apply for another \$2.5 million for the water trust board, and we start mitigating some of those fees that are going to come down the road. I'm hoping that's what's going to happen for us. It gives us the information we need to be aggressive with what we're doing and figure out where we're going to find it. It also gives us the information we need so we know what we're asking for and why, and how to make that presentation. I think that's why it's money well-spent when we do these fee studies, I think it's important for us.

Commissioner Fahl: It is.

Commissioner Mitchell moved to approve Resolution No. 19 25/26 Authorizing Project SAP 25-J2460-GF Wastewater Plant Improvements. Mayor Pro-Tem Forrister seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

H. NEW BUSINESS:

1. Discussion/Action: NM Capital Outlay Grant Agreement for Wastewater Treatment Plant Upgrades.

Assistant City Manager Alvarez: This ties in with the previous item, this is for the full grant agreement.

Commissioner Mitchell moved to approve NM Capital Outlay Grant Agreement for Wastewater Treatment Plant Upgrades. Commissioner Hoeppner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

2. Discussion/Action: Acceptance of the Water & Wastewater Cost of Service & Rate Design Study Presentation and recommendation of Implementation Process.

Mayor Hechler: We're just accepting, we're not approving. Keep that in mind. This will give us some information that we need, if we choose to do so. I will open it up for discussion and questions.

City Attorney Rubin: Actually what we're saying is we're accepting the study, but we're not actually approving the rates is what you're talking about. Gotcha.

Mayor Hechler: Yes, sir.

Commissioner Fahl: So, he said that the presentation was just a presentation, that there's further information that he gave you that's not finished yet. Correct?

City Manager Whitehead: The presentation is finished, that's where the presentation came from, so they'll go back and just finish the actual final document. Again, you would just be accepting the final document when it comes in. If you don't want to accept the final document, your choice would be to say, "We want to look at it further." Or "We want to add additional information." Or "We want to study, potentially, a new rate." You could do that today as well. Or accept the presentation and then he'll finalize it out the way he presented it today. And/or we could wait until you get the final presentation.

Commissioner Fahl: My thoughts are we should wait until we have the whole thing, I mean the presentation was great and it tells us bare bones, but shouldn't we wait until we have all the documents on our report that we're approving?

Mayor Hechler: Certainly, we can do that. Do you anticipate any changes to the document between what we've received and what we're going to get?

City Manager Whitehead: No. We have worked on the document since I came on board, it's been a couple times a week. So, we don't anticipate any additional information, we think this is the final scenario that is the best to get us to where we need to be.

Commissioner Fahl: But he said, the final report isn't done, this is just the presentation. So that's what I would say we need to wait until the final report. I mean it's not like it's going to change, but then we'd have the full document.

City Manager Whitehead: Mayor, it's a proper point and there are no issues. If there are no changes from the commission, and you want to see the final report, it would be proper to table or just move on from it, and we'll add it back when that final document is in our hands.

Mayor Hechler: The action would be tabling until we get the final.

Commissioner Fahl made a motion to table the acceptance of the Water & Wastewater Cost of Service & Rate Design Study Presentation and recommendation of Implementation Process until receiving the final report. Commissioner Hoeppner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

3. Discussion/Action: Best Friends Medical Grant Addendum.

Tara Manning, Animal Shelter Supervisor: I came to you back in March of 2025 because Best Friends was giving us a medical grant to be able to save parvo puppies and upper respiratory kittens, and it was set to expire on September 30th, a few days ago. The shocker of it all is that I had no parvo puppies come in up until about 2 and a half weeks ago. We still have quite a bit of money left. As of September 30th, we had only spent \$2,780 of this grant, the original grant was \$12,500. So that left \$9,720 and change. We have been able to save many animals already, we do have our parvo puppy, he has made a full recovery, and he is officially parvo-free, which we are excited to say, but we are currently treating him for tick fever. It is exciting to say that today he was actually playing for the first time in 3 weeks almost, so that's really exciting. We have been able to take in another dog a few months ago that we thought had parvo because it was parvo-positive, at least on the test we did, but the vet was able to do additional bloodwork, and found out it wasn't parvo, it was just stress colitis, so we were able to treat him for that. Another example is, we had a kitten come in, it was pretty grumpy the whole time it was with us, turned out it had some severe nerve damage done to it's tail, and the vet wouldn't do anything at the time because she was about 3-4 weeks old, so we had to deal with a very grumpy kitten in a kennel, and there were gloves involved and towels, and luckily no one got hurt, but she was able to have her tail amputated once she got fixed, which, the day after, she was a totally different kitten. This medical grant has really, really helped. Now, with the medical grant expiring, we were really concerned. I did reach out to Best Friends, I told them how much was left in the grant, which is why we have this amendment here that we're presenting to you. This is going to extend it until September 30th of 2026, so it will extend it to another full year. This is about the time parvo puppies don't come into the building, so that's why they want to extend it a little longer, and give us a full extra year, just in case those parvo puppies come back in. It will give us the chance to save more animals and not have our hearts broken when we can't, because we had that once a few weeks ago.

City Attorney Rubin: I assume that Best Friends already agreed to the extension?

Tara Manning, Animal Shelter Supervisor: Yes. They've already agreed to it, they're all ready to go and continue moving forward with everything, as far as the stories I've been presenting to them every month and the detailed reports on vet bills and everything that I send them every month. That is why they want to continue moving forward.

Commissioner Fahl: I was just wondering, Tara, so if you're extending this grant, is that going to preclude you from being eligible for other grants that they offer for other medical opportunities, or any other kind of grant from them?

Tara Manning, Animal Shelter Supervisor: As far as medical grants are concerned, it will take away from that because we already have it in place. As far as other grants going forward, it does not stop any of that from happening.

Commissioner Fahl moved to approve the Best Friends Medical Grant Addendum. Commissioner Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

4. Discussion/Action: November and December 2025 City Commission Meeting Schedule.

City Clerk Torres: Annually, we request to have one meeting in November and one meeting in December, due to the holiday season. This year we are doing it a little differently, we want to request one meeting in November, which will be November 12th at 9am, that will be a regular meeting with public comment and no staff reports. In December, we decided to have two meetings, just because we have five Wednesdays in December. We will be able to do the two meetings without interrupting holiday schedules for anybody. We would like to request December 3rd at 9am, that will be a business meeting as well, and then December 17th which will be a full regular meeting, like we have today, with public comments and staff reports. With that, I'll stand for any questions.

Mayor Pro-Tem Forrister: Is there any way we can move our November meeting to the 19th?

City Manager Whitehead: We looked at that. There was a reason we couldn't do the 19th.

City Clerk Torres: Jay, were you out on the 19th?

City Attorney Rubin: No, I'm trying to remember if we talked about it, I know we talked about this yesterday, I can't remember now.

City Clerk Torres: I know there was a conflict with somebody.

Commissioner Fahl: When is Thanksgiving?

City Clerk Torres: Thanksgiving will be on the 27th

Mayor Hechler: I don't have an issue with it, but does anybody else have any conflicts?

CITY COMMISSION OCTOBER 8, 2025 REGULAR MEETING MINUTES

Commissioner Mitchell: I don't have a conflict, but if there's someone else in the city staff that does, then we need to address that.

Mayor Pro-Tem Forrister: Well, we're all right here that needs to be at the meetings, so speak up.

City Clerk Torres: I don't think so, I don't really remember why we didn't want the 19th.

City Manager Whitehead: I think we just kept it on that day because that was the normal, the 12th was just the normal meeting date. I think we looked at the 19th.

Mayor Pro-Tem Forrister: The 19th seems like a good mesh between the second and fourth Wednesday of the month, and I won't be here on the 12th.

City Clerk Torres: It gives us longer to prepare too. That works out better too because the 12th is after Veteran's Day, so that will work.

Mayor Hechler: And we're having two meetings in December, there's a lot of stuff still going on, and we were a little bit worried that we would have too much on one meeting. So, spread it out and shorten the meetings up a little bit, get our business done.

Mayor Pro-Tem Forrister: So, we're going to do a commission meeting the 19th at 9am. And then December is regular schedule.

City Clerk Torres: All of them are 9am, so we're not going to do the 4pm in December, they will both be 9am.

Mayor Pro-Tem Forrister: So we're doing the 3rd and the 17th though, for December.

Mayor Hechler: That avoids all the holidays.

City Clerk Torres: Yes. And then we're going to swap it, so the regular meeting, instead of being the first meeting, it'll be the second meeting, and then the business meeting.

Mayor Pro-Tem Forrister: But they're both going to be at 9am?

City Clerk Torres: Yes.

Commissioner Mitchell moved to approve the November and December 2025 City Commission Meeting Schedule with one meeting in November on November 19, 2025 and to meetings in December on December 3rd and December 17th. Commissioner Mayor Pro-Tem Forrister seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

5. Discussion/Action: Approval of the 2026 City Holiday Schedule.

City Clerk Torres: In your packet is our 2026 Holiday schedule. I did want to touch on some things, so we have the day after Thanksgiving here to be off on Friday, November 27th. Why we do that is because Spring day and Fiesta day essentially should be 8 hours, so we're taking 4 hours from each of those to give us the day after Thanksgiving.

Commissioner Fahl: Oh, those are half days.

City Clerk Torres: Yes.

Mayor Hechler: Ms. Torres, last year we went through this, and we had to make a quick amendment. Did you look at the history from last year? Did we catch that? Because I remember we had it twice on our agenda and I think we had a typo or a mistake but I'm sure you've probably caught it.

City Clerk Torres: Yeah, I can't remember what it was, but I did thoroughly go through this. The only thing that we took off when I first started the packet is that we had New Year's Eve on it from this year, and since it was already approved last year, it was approved so we didn't need it on there. That's the only thing we took off of this one.

Commissioner Fahl moved to approve the 2026 City Holiday Schedule. Mayor Pro-Tem Forrister seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

6. Discussion/Action: Approval of Purchases \$60,000 and over. Jocelyn Holguin, Finance Director

- a. Statewide Purchase Agreement #30-00000-23-00078- with Somos Solar Inc. for the NMDOT Electric Car Charging Agreement. Contingent of approved agreement and NOO.**

Jocelyn Holguin, Finance Director: We're going to use the statewide purchasing agreement for that project with Somos for the electric car charging station. This is going to cost us \$641,341. The way this program works is that you incur the cost, and then at completion of the project, it's 100% reimbursed. That was part of the BAR that we had done before, to pull the funds from the electric company to cover the expenses. So that part's already been taken care of, and then the resolutions and other requirements. Once this is approved, Jason's going to be submitting for the NOO, the notice of obligation, and once that's approved, we can start the process. This is already a requisition. Once the NOO comes in, then we'll flip it to a PO. I stand for any questions.

Mayor Pro-Tem Forrister moved to approve Purchases \$60,000 and over as presented. Commissioner Fahl seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

I. ADJOURNMENT:

Mayor Hechler adjourned the meeting at 11:27 a.m.

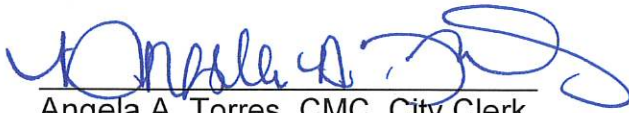
Passed and Approved this 19th day of November 19, 2025.





Rolf Hechler, Mayor

ATTEST:



Angela A. Torres, CMC, City Clerk

VOLUNTEER With TREE NEW MEXICO

PLANT LOCAL TREES, EXPAND OUR CANOPY.



Tree New Mexico needs support from volunteers like you who are dedicated to improving our community's health and well-being by increasing our urban tree canopy. We'll teach you how to plant the trees properly—no previous experience is required!

UPCOMING PLANTINGS:

Nov. 15th @ 9 AM

Dec. 06th @ 9 AM



Sign up at bit.ly/treeorc or
email treeorc@treenm.org



Funding is provided by the USDA
Forest Service's Inflation Reduction
Act Urban and Community Forestry
Grant Program.



Tree
New
Mexico





Urgent Message from Recent DOJ Alumni Decrying Attacks on Justice Department

October 6, 2025

We are 282 former career employees who proudly served our country at the Department of Justice. From prosecutors, special agents, and intelligence analysts to immigration judges, grant managers, civil rights attorneys and more, **we all** carried out our duties faithfully, regardless of who occupied the White House. Until we no longer could.

Each of us left the Department, either voluntarily or involuntarily, because of actions taken by this administration.

Our fidelity to the Constitution and our dedication to our country did not end when our jobs did. Now that we've left the Department, we believe it's our duty to sound the alarm about this administration's degradation of DOJ's vital work, and its assault on the public servants who do it.

It is incumbent on all of us to fight for the Justice Department before it's too late.

DOJ's mission is to "to uphold the rule of law, to keep our country safe, and to protect civil rights." It's failing on all three fronts:

- The Justice Department cannot **uphold the rule of law** when it carries out the President's retribution campaign and protects his allies; violates court orders and evades due process requirements; directs attorneys to violate their ethical responsibilities; and fires its employees without notice or cause in violation of civil service laws.
- It also cannot **keep our country safe** when it ousts FBI employees, prosecutors, national security experts, and ATF officials; shuts offices that prevent community violence and dismantle drug trafficking operations; purges the attorneys who enforce laws that protect the environment; and shifts highly trained special agents away from counterintelligence and counterterrorism.
- And it cannot **protect civil rights** when it drives out 75% of attorneys from the Civil Rights Division and refuses to enforce the nation's civil rights laws as Congress intended, using them instead as a cudgel against marginalized groups.

The administration is taking a sledgehammer to other longstanding work the Department has done to protect communities and the rule of law, too. Its plans to eliminate the Tax Division, which saves the country billions of dollars by pursuing tax evaders, will leave us poorer. Gutting the Public Integrity Section and FBI public corruption squads has paved the way for government

graft. Cancelling hundreds of millions of dollars in grants has left at-risk communities less protected and crime victims less supported. The list could go on.

As for its treatment of its employees, the current leadership's behavior has been appalling. This administration's lies about the "deep state" and exaggerations about government inefficiency have eroded the respect our country once held for public servants. And demonizing, firing, demoting, involuntarily transferring, and directing employees to violate their ethical duties has already caused an exodus of over 5,000 of us – draining the Department of priceless institutional knowledge and expertise, and impairing its historical success in recruiting top talent. We may feel the effects of this for generations.

The Justice Department's backbone has always been its career workforce, and those who were part of it are best positioned to explain why the current leaders' actions are catastrophic for the nation.



We call on these leaders to reverse course -- to remember the oath *we all* took to uphold the Constitution -- and adhere to the legal guardrails and institutional norms on which our justice system relies.

We call on our fellow alumni to join us in sounding the alarm, and in mobilizing to support our colleagues still there. They deserve respect and gratitude, neither of which they're getting from this administration.

We call on Congress to exercise its oversight responsibilities far more vigorously. Members in both chambers and on both sides of the aisle must provide a meaningful check on the abuses we're witnessing.

And we call on all Americans -- whose safety, prosperity, and rights depend on a strong DOJ -- to speak out against its destruction.

Our democracy is only as strong as the rule of law, and the rule of law can't survive without the principal institution that enforces it.

JANUARY 2025 DEPARTURES

Jill Anderson, General Counsel, Executive Office for Immigration Review, Terminated, DOJ 2006–2025

Leonard Bailey, Special Counsel for National Security, Criminal Division, Retired, DOJ 1991–2025

Brendan Bailou, Special Counsel, Antitrust Division, Resigned, DOJ 2016–2017, 2020–2025

Jay Bratt, Chief, National Security Division, Counterintelligence and Export Control Section, Retired, DOJ 1990–2025

Kar Dobinski, Attorney-Adviser, Civil Rights Division, Criminal Section, Retired, DOJ 1985–2025

The document goes on another 13 pages listing all 282 people who were either terminated, resigned or retired from January to October of 2025.

One Person, One Vote

Wyoming has 275,000 registered voters, giving them a representative and two Senators who vote in Congress. The District of Columbia with almost twice as many registered voters has no voting representation in Congress. Republicans in the House put forth and passed two laws governing solely the District prior to their recess September 19th. One is to charge 14-year-olds committing crimes as adults. More draconian laws are planned for the District when the house goes back into session. Reconvening, postponed twice, is now scheduled for October 13. It is really the Epstein shutdown.

The President on October 3rd headed his truth social posting: "THE PARTY OF HATE, EVIL, AND SATAN." It is his long drumbeat demonizing Democrats for "hateful political speech". There are almost 7 million more registered Democrats across the US than Republicans.

Last month the Supreme Court sanctioned racial profiling, going against decades of work to stop such blatant discrimination. Almost 49% of the New Mexico population is Hispanic.

Waiving the flag and 2nd Amendment, many have fought against gun control – even though our children's school experience are now seeped with gun violence drills. Are these people standing up as vehemently for the 1st Amendment?

You who swear an oath of office to the Constitution, have you read it recently? Try the 4th Amendment. It starts: *The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures.* And goes on.....to guarantee warrants.

I have sought permission to make a formal presentation before this Commission. It is your right to refuse. I do, however, question the Mayor's stated reason – that he is "*in disagreement*" with the resolution. As an elected leader I would want community engagement, not the squelching of discussion due to personal opinion. Some tens of thousands of local elections are taking place this November, including here. May those who foster community dialogue and live up to their Constitutional obligations be the winners.

City Commission Meeting 10/8/25

Hello, my name is June Russett, a Regional Planting Coordinator for Tree NM. I've co-founded our local program, Tree or C. We have supplied 250 ^{tree} trees to the Sierra Co. tree canopy, half of which was planted by our incredible citizen volunteer workforce. I wanted to let the city know as well as the public of a couple of upcoming events. This Saturday, Oct. 11th, we will be holding a mini-planting event where we will be replacing 6 dead trees along Healing Waters Trail. Then, on Nov. 15th, we will be planting 75 trees in the neighborhood just North of Ralph Edwards Park, which Commissioner Destiny Mitchell & her GSAPP students have graciously agreed to cater again. Nov. 23rd we will hold a tree Care class & 80 tree giveaway. Dec. 6th we will be planting another 75 trees in the neighborhood East of Gold. & Dec. 14th having another tree care class & 80 tree giveaway event. We will be moving to Williamsburg area next Spring as that was the next most densely requested area. All of this information is on our website bit.ly/treeorc

On the water front, we are having people declining free trees due to water bills.



TREE NEW MEXICO

Tree Care Class &

80 TREE GIVEAWAY!

Sun. Nov. 23rd &

Sun. Dec. 14th

303 First Ave., T or C, NM

1:30PM- 40 trees for volunteers,

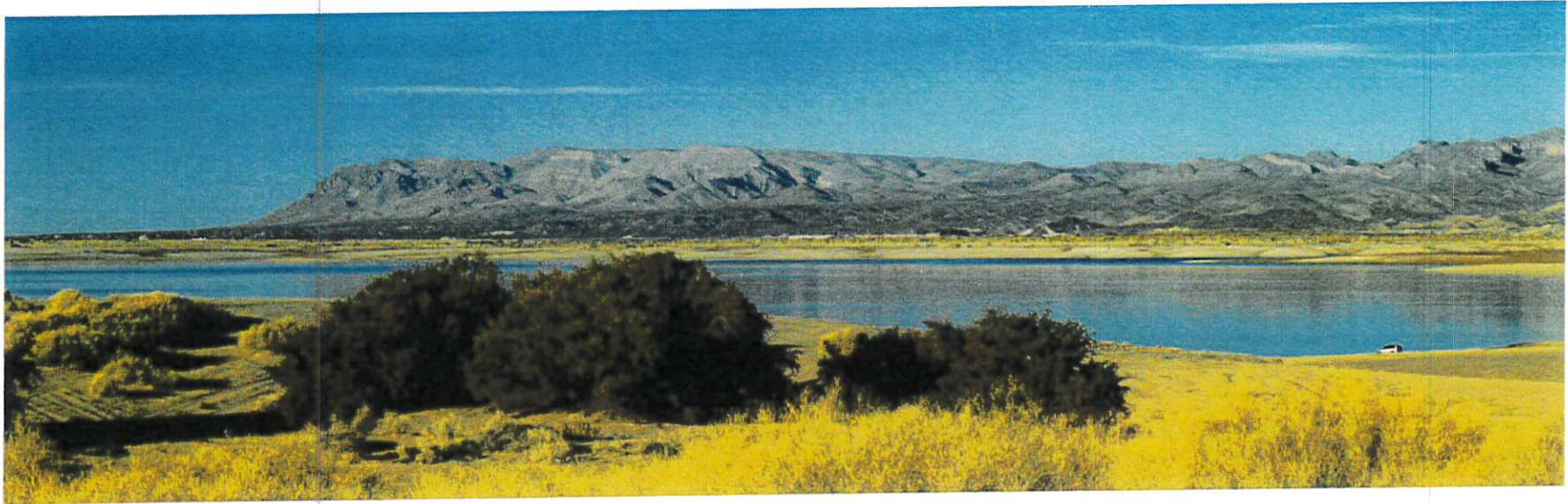
2:00PM- brief tree care class

followed by 40 tree giveaway

for general public

Q&A table for those wanting to know more

First come, First served



October 8, 2025 | City of Truth or Consequences, NM

WATER & WASTEWATER COST OF SERVICE & RATE DESIGN STUDY

Presented by:
Dave Yanke, President
Cari Anderson, Senior Consultant

NewGen
Strategies & Solutions

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AGENDA

1

- Purpose

2

- Revenue Requirement

3

- Test-Year & Capital Funding

4

- Water Rates

5

- Wastewater Rates

6

- Revenue Recovery from Proposed Rates

7

- Bill Comparisons

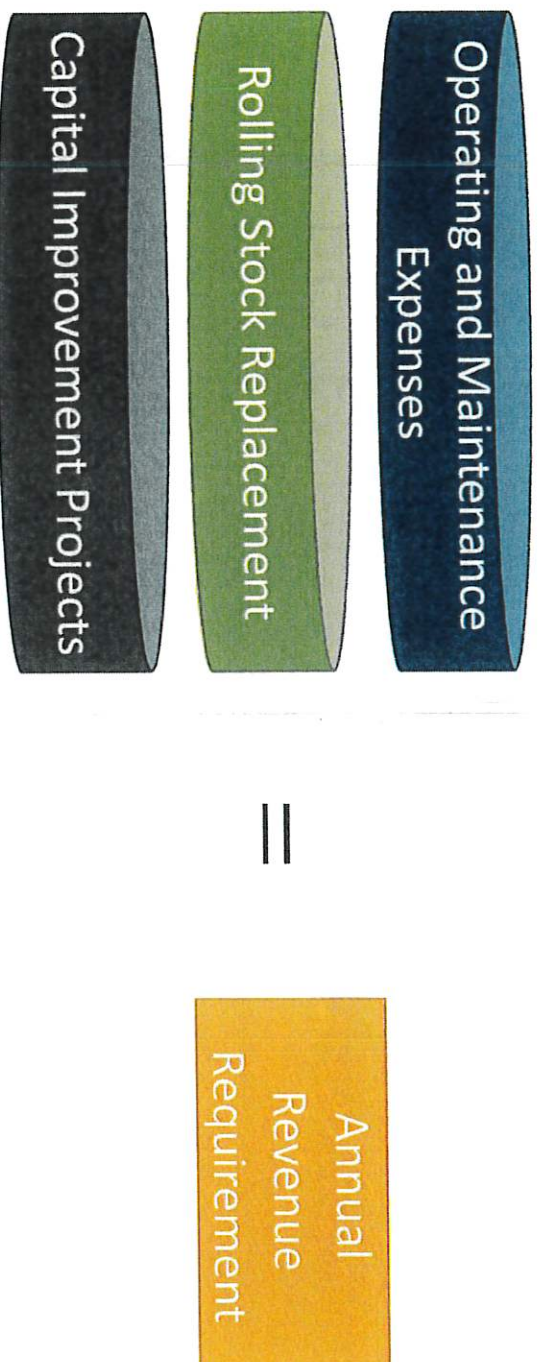
PURPOSE

PURPOSE OF ANALYSIS

- Develop a four-year forecast of the operating and capital costs.
- Determine revenue sufficiency under the current rates.
- Develop rates that ensure the financial integrity of the Utility.

REVENUE REQUIREMENT

WHAT IS THE REVENUE REQUIREMENT



TEST YEAR & CAPITAL FUNDING

TEST YEAR - WATER

Description	FY 2026 Budget	Adjustments	Test Year - Water
Water Expenses	\$1,953,442	\$(372,650) ¹	\$1,580,792
Existing Debt - Water	-	372,650	372,650
Pay As You Go	-	50,000	50,000
Total Expenditures	\$1,953,442	\$50,000	\$2,003,442
Revenues	\$1,884,600	\$(1,700,000) ²	\$184,600
Water Net Revenue Requirement	\$68,842	\$1,750,000	\$1,818,842

Notes:

1. Existing Debt broken out from transfer to general fund
2. Service revenue to be calculated in revenue reconciliation

TEST YEAR - WASTEWATER

Description	FY 2026 Budget	Adjustments	Test Year - Wastewater
Wastewater Expenses	1,500,247	(78,239) ¹	1,422,008
Existing Debt - Wastewater	-	78,239	78,239
Pay As You Go	-	50,000	50,000
Total Expenditures	\$1,500,247	\$50,000	\$1,550,247
Revenues	\$1,404,000	\$(1,300,000) ²	\$104,000
Wastewater Net Revenue Requirement	\$96,247	\$1,350,000	\$1,446,247

Notes:

- Existing Debt broken out from transfer to general fund
- Service revenue to be calculated in revenue reconciliation

WATER RATES

CURRENT RATES - WATER

Minimum Bill

Customer Class	Rate ¹
Residential	\$19.48
Commercial	\$19.48
Industrial	\$109.56
WMBG Residential	\$19.48
WMBG Commercial	\$19.48
City Water	\$19.48
City - Landscaping	-
Effluent Water	\$26.52

Volumetric Rates

Tier	Rate ²
Residential & Commercial	
Tier 1 – 2,001-7,000	\$3.41
Tier 2 – 7,001-15,000	\$3.86
Tier 3 – 15,001-29,000	\$4.34
Tier 4 – 29,001-50,000	\$4.87
Tier 5 – 50,000+	\$5.30
City - Landscaping	\$0.74
Effluent Water	\$1.43

1. Minimum bill includes 2,000 gallons

2. Rate per 1,000 gallons

WASTEWATER RATES

CURRENT WASTEWATER RATES

Base Rate Structure

Customer Class	Rate
Commercial	\$14.46
SW Residential Averaged	\$14.46
SW WMBG Commercial	\$23.98
SW WMBG – Residential Average	\$23.98
SW Residential Bathhouse	\$16.30
SW Bathhouse Commercial	\$50.09

Volumetric Rate Structure

Customer Class	Rate ¹
Commercial	\$5.08
SW Residential Averaged	\$5.08
SW WMBG Commercial	\$5.08
SW WMBG – Residential Average	\$5.08
SW Residential Bathhouse	\$-
SW Bathhouse Commercial	\$-

1. Rate per 1,000 gallons

REVENUE RECOVERY FROM PROPOSED RATES

PROPOSED RATE SCENARIOS - WATER

Under Current

- “Status Quo”
- Annual CPI adjustment (3%) at the beginning of the fiscal year (July 1)

Scenario 1

Beginning in FY 2027 through FY 2029 (Effective July 1 each year),

- 3% Residential and City, 5% Commercial and Industrial
- Phase-in of meter equivalent rates
- Phase-out of 2,000 gallons included in minimum bill
- 1.25x multiplier on outside customer rates
- Standardize all minimum bills

Scenario 2

Beginning in FY 2027 through FY 2029 (Effective July 1 each year),

- 6% Residential and City, 8% Commercial and Industrial
- Phase-in of meter equivalent rates
- Phase-out of 2,000 gallons included in minimum bill
- 1.25x multiplier on outside customer rates
- Standardize all minimum bills

METER EQUIVALENTS

Meter Size	Meter Equivalent
3/4"	1
1"	2.5
1.5"	5
2"	8
3"	16
4"	25

WATER REVENUE RECOVERY – UNDER CURRENT

	FY 2026	FY 2027	FY 2028	FY 2029
Revenues	\$ 1,639,003	\$ 1,688,173	\$ 1,738,818	\$ 1,790,983
Revenue Requirement	\$ 1,818,842	\$ 1,976,799	\$ 2,036,180	\$ 2,097,862
Over/(Under)	\$ (179,839)	\$ (288,626)	\$ (297,362)	\$ (306,879)
Cumulative Over/(Under)	\$ (179,839)	\$ (468,465)	\$ (765,827)	\$ (1,072,706)

WATER REVENUE RECOVERY – SCENARIO 1

	FY 2026	FY 2027	FY 2028	FY 2029
Revenues	\$ 1,639,003	\$ 1,818,023	\$ 2,008,400	\$ 2,085,827
Revenue Requirement	\$ 1,818,842	\$ 1,976,799	\$ 2,036,180	\$ 2,097,862
Over/(Under)	\$ (179,839)	\$ (158,775)	\$ (27,781)	\$ (12,035)
Cumulative Over/(Under)	\$ (179,839)	\$ (338,615)	\$ (366,395)	\$ (378,431)

WATER REVENUE RECOVERY – SCENARIO 2

	FY 2026	FY 2027	FY 2028	FY 2029
Revenues	\$ 1,639,003	\$ 1,870,809	\$ 2,126,190	\$ 2,271,410
Revenue Requirement	\$ 1,818,842	\$ 1,976,799	\$ 2,036,180	\$ 2,097,862
Over/(Under)	\$ (179,839)	\$ (105,989)	\$ 90,009	\$ 173,548
Cumulative Over/(Under)	\$ (179,839)	\$ (285,829)	\$ (195,819)	\$ (22,271)

PROPOSED RATE SCENARIOS - WASTEWATER

Under Current

- “Status Quo”
- Annual 5% Rate Increase
- Increase takes effect January 1 of each year

Scenario 1

Beginning in FY 2027 through FY 2029,

- 15% increase on minimum bill and volumetric rates
- Increases take effect at the beginning of the fiscal year (July 1)

Scenario 2

Beginning in FY 2027 through FY 2029,

- 25% increase on minimum bill and volumetric rates
- Increases take effect at the beginning of the fiscal year (July 1)

WASTEWATER REVENUE RECOVERY – UNDER CURRENT

	FY 2026	FY 2027	FY 2028	FY 2029
Revenues	\$ 1,133,031	\$ 1,189,682	\$ 1,249,167	\$ 1,311,625
Revenue Requirement	\$ 1,446,247	\$ 1,526,548	\$ 1,579,517	\$ 1,951,250
Over/(Under)	\$ (313,216)	\$ (336,865)	\$ (330,350)	\$ (639,625)
Cumulative Over/(Under)	\$ (313,216)	\$ (650,082)	\$ (980,432)	\$ (1,620,056)

WASTEWATER REVENUE RECOVERY – SCENARIO 1

	FY 2026	FY 2027	FY 2028	FY 2029
Revenues	\$ 1,133,031	\$ 1,334,766	\$ 1,534,981	\$ 1,765,228
Revenue Requirement	\$ 1,446,247	\$ 1,526,548	\$ 1,579,517	\$ 1,951,250
Over/(Under)	\$ (313,216)	\$ (191,782)	\$ (44,536)	\$ (186,022)
Cumulative Over/(Under)	\$ (313,216)	\$ (504,998)	\$ (549,534)	\$ (735,557)

WASTEWATER REVENUE RECOVERY – SCENARIO 2

	FY 2026	FY 2027	FY 2028	FY 2029
Revenues	\$ 1,133,031	\$ 1,450,832	\$ 1,813,540	\$ 2,266,925
Revenue Requirement	\$ 1,446,247	\$ 1,526,548	\$ 1,579,517	\$ 1,951,250
Over/(Under)	\$ (313,216)	\$ (75,716)	\$ 234,024	\$ 315,676
Cumulative Over/(Under)	\$ (313,216)	\$ (388,932)	\$ (154,908)	\$ 160,768

BILL COMPARISON

SAMPLE BILL (WATER)

		FY 2026	FY 2027	FY 2028	FY 2029
Residential 3/4"					
Volume (gallons)	6,000				
<u>Under Current</u>					
Minimum Bill		\$ 19.48	\$ 20.06	\$ 20.66	\$ 21.28
Volumetric Charge		\$ 13.64	\$ 14.05	\$ 14.47	\$ 14.90
Total Monthly Bill		\$ 33.11	\$ 34.11	\$ 35.13	\$ 36.19
% Change in Monthly Bill			3.0%	3.0%	3.0%
<u>Scenario 1</u>					
Minimum Bill		\$ 19.48	\$ 20.06	\$ 20.66	\$ 21.28
Volumetric Charge		\$ 13.64	\$ 17.56	\$ 21.70	\$ 22.35
Total Monthly Bill		\$ 33.11	\$ 37.62	\$ 42.37	\$ 43.64
% Change in Monthly Bill ¹			13.6%	12.6%	3.0%
<u>Scenario 2</u>					
Minimum Bill		\$ 19.48	\$ 20.65	\$ 21.88	\$ 23.20
Volumetric Charge		\$ 13.64	\$ 18.07	\$ 22.98	\$ 24.36
Total Monthly Bill		\$ 33.11	\$ 38.72	\$ 44.87	\$ 47.56
% Change in Monthly Bill ¹			16.9%	15.9%	6.0%

1. % Changes in FY 2027 and FY 2028 are higher than annual percent increases due to phasing out of gallons included in minimum bill.

SAMPLE BILL (WASTEWATER)

		FY 2026	FY 2027	FY 2028	FY 2029
Residential 3/4"					
Volume (gallons)	6,000				
<u>Under Current</u>					
Minimum Bill		\$ 14.46	\$ 15.18	\$ 15.94	\$ 16.74
Volumetric Charge		\$ 30.49	\$ 32.02	\$ 33.62	\$ 35.30
Total Monthly Bill		\$ 44.95	\$ 47.20	\$ 49.56	\$ 52.04
% Change in Monthly Bill			5.0%	5.0%	5.0%
<u>Scenario 1</u>					
Minimum Bill		\$ 14.46	\$ 16.63	\$ 19.12	\$ 21.99
Volumetric Charge		\$ 30.49	\$ 35.07	\$ 40.33	\$ 46.37
Total Monthly Bill		\$ 44.95	\$ 51.69	\$ 59.45	\$ 68.36
% Change in Monthly Bill			15.0%	15.0%	15.0%
<u>Scenario 2</u>					
Minimum Bill		\$ 14.46	\$ 18.07	\$ 22.59	\$ 28.24
Volumetric Charge		\$ 30.49	\$ 38.12	\$ 47.64	\$ 59.55
Total Monthly Bill		\$ 44.95	\$ 56.19	\$ 70.24	\$ 87.79
% Change in Monthly Bill			25.0%	25.0%	25.0%

FURTHER RECOMMENDATIONS

- Identify Unknown Meter Sizes
- Consider Consolidating Tiers
 - 3-4 tiers and bigger block increases. We typically recommend 20-30% (1.2-1.3 block differential)





DISCUSSION

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