

CITY COMMISSION MEETING MINUTES
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO
CITY COMMISSION CHAMBERS, 405 W. 3RD St.
WEDNESDAY, SEPTEMBER 24, 2025

A. CALL TO ORDER:

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

B. INTRODUCTION:

1. ROLL CALL:

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

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

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
Tara Manning, Animal Shelter Supervisor
OJ Hechler, Community Services Director

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 led the Pledge of Allegiance.

4. APPROVAL OF AGENDA:

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

5. COMMISSION COMMENTS:

There were no commission comments.

6. STAFF COMMENTS:

There were no staff comments.

C. CONSENT CALENDAR:

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

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

D. ORDINANCES/RESOLUTIONS/ZONING:

1. Discussion/Action: Resolution No. 15 25/26 Budget Adjustment Request.

Jocelyn Holguin, Finance Director: For the first one, we have the LEPF Field Supplies expense, carry over funds, it's to bring the BAR up that was not budgeted. Item number two is the Wastewater State grant for the Colonias Infrastructure Project, it's for the loan proceeds at any match, infrastructure transfers in and out. That's all that block of item two. Item three is the AS State grant, the Animal Shelter appropriations that we received from the state, the portion to add on to complete the project. The contracts came in so we're doing the BAR to increase the budget for that one, as well as for item number four, the remaining funds that were awarded by the state. We're doing the BAR for the PD for the additional funds.

Mayor Hechler: Thank you, any questions?

Commissioner Fahl: No Mr. Mayor, it's all very straightforward.

Mayor Hechler: Anything further, Ms. Holguin?

Jocelyn Holguin, Finance Director: No, thank you.

Commissioner Fahl moved to approve Resolution No. 15 25/26 Budget Adjustment Request. Commissioner Hoeppner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

2. Discussion/Action: Publication of Ordinance No. 772 G.O. Bond.

(Presentation is attached hereto and made a part hereof)

Chris Muirhead, Modrall Sperling: This is just an authorized publication of this ordinance related to the third installment of the city's general obligation bonds that were approved in November of 2022. You have four years to issue all the \$3 million approved, this is the third of these issuances, you'd have one more, this is in the amount of \$760,000. It is broken out into the two questions that were approved by the voters, which is the roads and streets, as well as the city's water and wastewater system. You will take action at your meeting in November, move forward with this. Mr. Valenzuela is here to talk to you a little bit also, about the plan in terms of selling the bonds. Again, this is the general obligation of the city, so this one is the ad valorem property taxes that are currently paying your other tuitions of GO bonds. I'm happy to answer your questions, I will hand it over to Mark here, he has a few things he'd like to tell you.

Mark Valenzuela, Bosque Advisors: I have a presentation for you. We have hard copy handouts if you would like us to pass those out, if that's okay. This will be brief, so the second slide (Slide 2 – Existing General Obligation Debt) just kind of lays out the bond program for the voter-approved general obligation debt. You can see that on the left-hand side of this table we're showing you what the revenue is that is being produced. I did mention this at the last meeting, that the tax rate was at 4.5 mills, and I think it is great for this community. The leadership of City Manager Whitehead to push back on the tax rates that were being proposed by local government division. The local government division was considering increasing the tax rate to 5.2 mills, but City Manager Whitehead pushed back and we are now going to be at 3.5 mills. So, it will be a full reduction of one mill, and from this slide, you can see that this bond program still remains affordable for the city. Taxpayers are going to get a slight decrease in their taxes, and for the purposes of thinking into the future here, I left the mill levy at 3.5 mills for projecting revenues forward, so they're basically flat revenue. In the middle column there, existing debt, as Mr. Muirhead mentioned, we've sold two of the pieces here, \$790,000 each. You can see the existing annual payments that are listed in that blue column right there. The green column right next to it are the bonds that we're talking about now, roughly \$790,000. We'll start moving through that process now, this is the beginning of the process, but we're showing what the debt payments look like. I will say that we could likely shorten the maturity on this, to save interest costs. Right now, we're being very conservative with a 5% rate. We think that the rate will be closer to 3.5 or maybe lower, when we finalize this. But again, we won't know that until we go all the way through the process. I think we can probably shorten the final payoff on this particular loan, depending on what the world looks like when we start to do that. You're seeing here that the \$790,000 plus interest would be at about \$970,000 total cost. Again, that will change as we get closer to finalizing the transaction. We're also considering the final issuance, which right now is going to be roughly \$630,000. It really depends on what we end up doing on this one, and that'll be from the direction of your

team here how much they want to sell on this current one, but we're factoring that in as well. You can see in the blue column to the right what the total debt is over time. State law gives you twenty years to pay these off, we actually think it'll be a little bit shorter than that for the city. This also provides for the city to go back to voters potentially in 2027, the next local election, and ask for an additional \$3 million to continue the program. Again, without having to raise property tax from where you currently are. Having said that, the far right there is just the excess revenue that's sort of the plug number for us to make sure that we're staying within the goals that we've shared with the community, and what's important for you. Back in 2022, we had talked about having a three-mill imposition, or tax rate, to cover this program. Next year, I'm certain that City Manager Whitehead is going to hold me to that, and we are going to look at where we're at then, if we can further reduce the tax rate down to three, what the original program was. I don't want to commit that we can do it yet, the excess revenues look strong, but again, I just want to see what the world looks like next year. The city might see another slight increase in their tax rate next year. Having said that, and I won't bore you through all these steps that are going to take place, but this is just a preliminary calendar of all the events that are going to start taking place, we've kind of mapped this out. The one negative here in the timing is that the New Mexico Finance Authority doesn't have a November meeting. So, we're pushing back a little bit from what we originally thought we could do here, their meeting is going to be December 11th, which is the first time that they'll approve this, just so you're aware. Chris and I will work hard, I'm speaking for Chris Muirhead, but we'll work hard to make sure that we're prepared to close after NMFA board approval, shortly thereafter, so that we're not holding this out. Right now, we're assuming that the transaction will close on January 9th of 2026. Having said all of that, I'm happy to answer any other questions that you might have before you take action on what's in front of you.

City Attorney Rubin: What would be the final hearing date or adoption date?

Chris Muirhead, Modrall Sperling: I had that we would do the ordinance at the meeting in October, but we could certainly do it in November as well. In that ordinance, it would delegate authority to the mayor and the city manager to accept the pricing terms from the finance authority. We'd come back to the commission and show you all what the pricing is, but it wouldn't be a separate ordinance, doing that. One ordinance, and we can do it next month or we could even do it the 1st of November, whatever your preference is. As Mark was saying, we have some time.

City Attorney Rubin: Well if we publish this, it says publication is on September 26th (on Slide 3), can you put a date in there as to when the final hearing would be then?

City Clerk Torres: It would be October 22nd.

City Attorney Rubin: The second meeting in October then.

City Clerk Torres: Yeah, we can make it work on that day.

City Attorney Rubin: Yeah, it didn't have it on the calendar, that's the reason I'm asking.

City Manager Whitehead: And let me just say, the reason there's no urgency is because this particular bond of the \$440,000 has already pledged, so technically we've obligated the money before we have it, which will go to our shovel-ready water, which is out to bid right now, so timing-wise there's no urgency that we get the funds. We'll meet the 5% IRS obligation by the funds already being obligated, so however the calendar works, we'll be just fine.

City Attorney Rubin: Thank you for answering my questions.

Mayor Hechler: Any other questions?

City Manager Whitehead: I have a few more presentations, if I can. I always want to keep you guys in the loop, where we are with these. First of all, I would like to thank the team for helping with the bond rate. What I want to remind you of is, the city did have to pay the first payment. This is because the rate was not established, so we had to pay that. That's the leverage we were able to use on reducing the rate. We could have paid ourselves back at a faster rate, keeping the rate high, and what I basically agreed with DFA was that we'll take a payment, we know we have a couple hundred thousand dollars that we can take from the taxes back to us, it wasn't critical within the budget, let's get the tax rate down. So, over the course of the next four or five years, as our team decides we have enough revenue in reserve, the city would be able to pay itself back for that very first payment. We kind of think it's just a savings account. As I said, I wanted to point out that the \$440,000 of this bond will be used against the match, so this bond is really already allocated and spent. We'll begin to find and identify the bonds for the roads side of this ledger, okay? When I came on board, the commission had divided the issuance up in three pieces: Water, Wastewater, and Streets. The ordinance allows for water and wastewater to be one piece, so in this particular case, we'd be using almost all the bond for a particular water project. Bond four, we have kind of earmarked to be using more for wastewater as well, so we are doing both projects at the same time. The last piece I do want to draw your attention to, if we can scroll back to the page there (Slide 2) and I'm going to get this not quite perfect, so I hope the team doesn't get too mad at me here, but if you go to the excess of revenue on the very far right, if you look at the bottom, it shows that at the end of twenty four years, we would have \$7 million in the bank. I brought this question up to say, "Well wait, we'd be taking money from the taxpayers and have \$7 million?" that's not the case here. If the voters don't allow us to extend this bond for another issuance and it ends, you would see that it would pay off at some point sooner than the twenty-four years, it would pay \$7 million over that course of time. That's when we talk about, that the \$3 million would be paid off sooner. You can do your own calculation and see at what point in time we would have generated enough revenue from the taxes to pay off the bond that we were allowed to use, pay the interest, and pay those costs. We have a presentation to bring you in a moment on where we think we'd like to ask to continue this with the taxpayers, and that's why we think we needed to get through the 3.5 rate to show fiscal responsibility, and then finally, we're just finishing up all those items that we're using for the bond so

that we can get full transparency, I've presented those to you in the budget, but Carrie, our PIO, and I are working on getting that prepared so the taxpayers can see where we put every penny, and when we're getting to start to use that.

Mayor Hechler: Thank you Chris, for your presentation. As always, it was very thorough, even where I can understand it. I appreciate your efforts. If there's nothing else, I'll entertain a motion.

Commissioner Fahl made a motion to approve the publication of Ordinance No. 772 G.O. Bond. Commissioner Hoepfner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

E. NEW BUSINESS:

1. Discussion/Action: Engagement Agreement for Municipal Advisory Services between the City of Truth or Consequences and Bosque Advisors, LLC.

City Manager Whitehead: I will let Mark and Chris speak on these, but they're both housekeeping issues that are connected to the issuance and sale of the bond, these proceeds are an eligible expense out of the bond proceeds as well.

Mark Valenzuela, Bosque Advisors: This is our engagement. We always bring it back to you every year so that you can let us know if we're handling the city's business appropriately and with transparency. We want to give you that option to let us know how we can improve. Nothing in this agreement has changed from the prior years. The fee schedule hasn't changed. It's just the date extending it for an additional year. That's the scenario with Bosque Advisors. I will say, our fee is only paid on completion of a transaction and we support the city on all the other ancillary tasks that are associated with the bonds. We don't charge the city for that service, so I just wanted to let you know, and we are grateful for the opportunity for the partnership, from our perspective, it has been fantastic.

City Attorney Rubin: I can confirm the fact that it's the same agreement, because I compared the old agreement to what's in the packet, and you're right it's word-for-word except for the changes of date.

Commissioner Mitchell made a motion to approve the Engagement Agreement for Municipal Advisory Services between the City of Truth or Consequences and Bosque Advisors, LLC. Commissioner Hoepfner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

2. Discussion/Action: Modrall Sperling Proposal Letter for Bond Counsel Services – 2025 General Obligation Bonds.

Chris Muirhead, Modrall Sperling: I would really repeat what Mark had said, which is that this is consistent with what we've done in the prior two issuances as well, it's a standard engagement letter with the firm for this bond issuance. We would only be paid if the transaction closed, and it is the same fee as last year, there's no increase there. I love coming down here and working with you guys, so I appreciate the opportunity.

Commissioner Fahl made a motion to approve the Modrall Sperling Proposal Letter for Bond Counsel Services – 2025 General Obligation Bonds. Commissioner Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

3. Discussion/Action: Approving Spay and Neuter Grant from NM Veterinary Board.

Tara Manning, Animal Shelter Supervisor: We applied for this grant a few years ago but there were some hiccups. The hiccups have now all been fixed and adjusted, so that's a positive. We did all the legwork, paperwork, reports, and we got approved for a \$40,000 grant that we will get all the animals fixed. Currently, we do have an agreement with SCARS underhand to get all the cats that come into the shelter fixed, as well as one dog a month. I did bring it up to the director of SCARS, as far as this grant goes, she already has it budgeted on her end, to continue paying for cats. So, we are going to just pay for the dogs with this grant. There's still going to be money left over, so I did some digging and research, and it gives us the ability to open this up to the public as well, with the approval. So, we can allow people to come in, get their information, let the vet know, and we can start getting the community animals fixed before they come into the shelter to prevent unwanted puppies and kittens from trying to find homes or being dumped on the side of the road and coming into the shelter in the long run. With this grant, it not only covers the spay and neuter, but it also covers their rabies shots, so everyone can be current as well. As well as the core vaccines which is the parvo/distemper vaccine for dogs and puppies, as well as the feline leukemia vaccine for cats. That's all I have unless you have any questions.

City Attorney Rubin: I noticed one very small detail on the reporting. So, there are two reports that are due during the 12-month period.

Tara Manning, Animal Shelter Supervisor: Yep, one at six months and one at twelve.

City Attorney Rubin: Yeah, what's interesting though, on paragraph four it says, "The final report is due at the end of the 12-month period." But actually, in paragraph five, you have three dates beyond the 12-month period.

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Tara Manning, Animal Shelter Supervisor: Correct. Because they do understand that when we get the information from the vet, our vet bills us at the end of the month, so whatever surgeries we do, say in the month of October, I get them as of November first. That way, it gives me some additional time to get all that reporting in the meantime and make sure that everything is crossed off and dotted correctly for that.

City Attorney Rubin: Fair enough.

Commissioner Fahl: Good job.

Mayor Hechler: The \$40,000 grant, by the way, congratulations. That's a huge amount of money, and it's a lot bigger than I thought we would ever get.

Tara Manning, Animal Shelter Supervisor: Me too. Last year it was \$35,000 so I'm super excited.

Mayor Hechler: People that use this grant, do they pay full price because it's a grant or do we still get the discounted price?

Tara Manning, Animal Shelter Supervisor: Let's say it's a shelter animal, we get a discounted rate from the vet as it is, we get a rescue rate. As far as citizens go, because we're the ones paying the bill, we're the ones that are still going to get that discounted rate, so we do have the discounted pricing that the vet will still honor for us. There are qualifications and guidelines that we do have to follow, like P.A.T currently does, for example, as far as that poverty line. So, I have to make sure I have all of that documentation as well, and what we would do is get all the owner's information, the animal's information, and email it to the vet so they can make the appointment around their schedule, when it comes to that. We wouldn't be able to ask for money in return for it, as a co-pay, as they put in here, but we have thought of ideas in order to continue helping and benefiting the shelter. Possibly asking for donations in the future, so if we get your animal fixed, you donate a can of cat food or a bag of cat food, that way we can still function and have all this ability and everything, and it's still saving the public a lot of money.

Mayor Hechler: Great. That makes that \$40,000 go further, doesn't it?

Tara Manning, Animal Shelter Supervisor: Exactly, a lot further.

Mayor Hechler: The second question I have is, if we extend this to the public, are you going to have a schedule that you're going to allocate this money, so we don't run out too quick? Or are you just going to use it as people want it?

Tara Manning, Animal Shelter Supervisor: My goal, right now it's still in the works as far as all the little details go, I would rather try to spend it all as fast as possible, potentially. That way, I don't have to worry about being at the end of twelve months being like, "Oh no, I still have \$10,000 left to spend." And then panicking. I think it's going to be one of

those things that is going to go as far as possible, but at the same time, it's a lot of money. For example, to give you an idea on pricing, let's say the average dog weighs between 26 and 50 pounds, like most do, females obviously cost more, \$75 is what we're paying to get them fixed. So that's a lot of spays that we could be doing. I have a feeling we're going to have to just do it as much as possible.

Mayor Hechler: Are you going to take first-come, first-serve, or are you going to advertise? How are we going to get the word out, or are you going to get the word out, do you have enough customers anyway?

Tara Manning, Animal Shelter Supervisor: More than likely I will probably have enough customers but I do want to spread the word, so that way the people who don't have Facebook, that aren't always coming into the shelter, by word-of-mouth, we can kind of spread the word that way. I definitely want to do it that way, first-come, first-serve as far as that goes, and then it's all up to the vet's availability, too. If we get the money, let's say we can start using it in November, he's going to fill up really fast between his vacations and his days when he's working and can do surgeries, so that's the other reason I think it's going to be able to spread out the full twelve months.

Mayor Hechler: I think it's interesting to know that some of the people in our community that are the most difficult to contact are among the poorest. Somehow, we need to get that word out either through utility letters or something, so that we can get these folks in here and we can take care of those animals.

Tara Manning, Animal Shelter Supervisor: That's my goal, once this funding is all ready to go, is to touch base with our Public Information Officer so she can start putting it into the utility newsletter and maybe put it in the newspaper when they do their print that way.

Mayor Hechler: Okay, I knew you'd be on it.

Commissioner Mitchell: Does this partner with Desert Haven too? Can they do this program with their animals as well?

Tara Manning, Animal Shelter Supervisor: Not with us, most of the animals they have, other than their puppies, should already be fixed, especially if they come from us. But I believe they probably applied for their own, because this was open to government agencies and non-profit rescues. Every time there was a meeting about it, Desert haven was always in it, so I have a feeling they were aware of the grant.

Commissioner Fahl: The mayor's question prompted a thought on my end. Your partnership with the vet, are they going to help promote it? Or if they have people randomly call them and they want to bring their pets in, are they going to refer it to this program rather than doing it themselves?

Tara Manning, Animal Shelter Supervisor: That's my goal. I've already spoken to their manager over there, not the vet himself, and I let them know that this is a possibility that could happen, so I'm going to start making fliers that would say, "Hey, you have a pup, dog cat, whatever it is that needs to be fixed? You can't afford it? Contact the shelter. Let them help you." My goal is to make fliers so that they can hand them out to those people as well.

City Manager Whitehead: I wrote a note on that and we haven't discussed the nuts and bolts of it, and we will all sit down and go over it, as we do a lot, as a team. But I want to make sure we take care of the vet as well, we don't want to create a situation where he's providing us with a discount and not getting anything out of it, so it needs to be fair on both sides. We need that service, it's valuable to our community, and we certainly don't want to be adversary. With the level Tara's spoken of here that's on the table, we need to make sure it's well-received from both sides. Where the vet feels like he could say, "Hey, let us help you with that, we could get some costs and bring that in." so I think that's a good point and we make sure that we take that seriously with their staff up there, we need to respect that relationship. I think we do, it's not even a question, I know this team will take it seriously.

Commissioner Mitchell made a motion to approve the Spay and Neuter Grant from NM Veterinary Board. Commissioner Hoepfner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

4. Discussion/Action: Capital Outlay Process and Project Selection.

Assistant City Manager Alvarez: Within your packet, you have the ICIP list and the resolution. You reviewed and ranked projects on June 11th and then accepted the resolution with the ranking of all those projects at your June 24th meeting. We are now getting ready to prepare for the capital outlay process. The mayor and city manager will be doing a presentation legislative forum at the end of October. This here is where we're going to discuss those projects that you ranked in the top five in the capital outlay. With that I will turn it over to the city manager.

City Manager Whitehead: If you remember, we did do the ICIP, we tried to narrow it down and we cleaned it up a little bit. In that effort, we identified that the state, over the last few years, has requested that we only present our top five items, so we kind of focused on that. If you'll take a look back at the ICIP that we've provided you, the five projects that we picked were: continued upgrades to our wastewater treatment plant, Lee Belle Johnson facility, Marie Street improvements, the substation, and the community multipurpose center. Question one would be, does the commission feel like these still represent our current needs, where we feel like we are? If there are any ideas or changes, remember, we can pull anything up from the ICIP if we felt like something on there is more relevant, because it is on the list, so we could, at this point, change it. I would just like to make sure the commission feels like these are the right five projects.

Mayor Hechler: If you refer to page 143 of our agenda packet, it lists the five projects. If any of the commissioners wish to change the order or add anything else to the top five and drop one off, I'd like to hear about it now.

Commissioner Fahl: I think these are very valid to be our top five, and as you said, if they're on the list, we can also get those other things done if the right opportunity comes up. I don't think any of us have changed our mind.

Mayor Hechler: For me, I'd like to put special emphasis on the Lee Belle Johnson facility improvements this year. We are already working on a PER for wastewater, getting that done, and it's not going to be premature to ask for wastewater improvements before then, but that PER will give us a lot of information that we're going to want prioritized, I think. I think it's important, it should be in the top five, but I would like to give some importance to the Lee Belle Johnson facility improvements, it's been down now for about three years, a little over three years, and I think our community is clamoring for a facility of that nature downtown. I'd like to see it get stabilized and a mechanism for improving that facility so that we can put it back to work for our community.

Commissioner Fahl: Thanks for that, Rolf. We all agree with that.

City Manager Whitehead: If that's the intent, then the way we would like to approach these five projects is as follows: We did receive a \$1 million capital outlay grant from the governor last year for our wastewater treatment plant. Unfortunately, the city got missed up at DFA with another community and they assumed that our audit was not filed timely, which it was, so a lot of our contracts were held up. We've since solved that problem, things are flowing in, and we've got that resolved, but we've not seen the contract on this last particular grant. Our goal here would be to go ahead and ask, we asked for \$4 million last year, so we would want to ask the governor again this year for \$1 million to add to the \$3 million ask, and stay consistent with that, and stay with the governor for that particular program. The governor seems to be willing to fund water and wastewater type programs, so we think that's the right thing, and it would be a continuation. For the legislature, we also picked Lee Belle as our primary goal. I've done a little work preparing for how we could fix the foundation in the building, that seems to be the reason the building has been shuttered, so I enlisted a contractor to come in and take a look at the building, we have the geo tech report, we have a plan from Wilson that shows that the interior of the building is not in bad repair, it needs a little care and maintenance but it's not our problem. What we'd like to ask in this request is that we make Lee Belle our number one legislative request, at \$500,000 and that be focused on design, building, and constructing the foundation of Lee Belle only. So, we could try to get that focused in, we think that there's a way to go in and shore up the building, create some way to move water out from the building, I will tell you that we've been in there five or six times this year, and there's not any water present this year. It seems like it is just different, so that would be our number one ask, and we would really want to focus on that. The number two legislative ask would be the Marie Street design build. We would ask for design, planning, and construct, we always ask for all three, but we would like to ask for \$500,000

so that we can do the engineering for Marie Street. We think Marie Street is not only a surface issue, we'd like to put sidewalks, we have the dam we'd like to make sure that we're taking care of, and we need to do water and sewer in that all at one time, so that's what we'd like to ask, and our third ask would be that we propose asking for \$500,000 to do a design planning for a community multipurpose center. Commissioners, this will be the first time you'll hear us say that we think we would like to use the general obligation bond the next time it's available to present to the voters to give us an opportunity to build out a new multipurpose center. We know the hospital is interested in doing something, if there's a partnership, but if we could get to this grant, that's why it would be number three, if we could get it, get it designed, and then potentially be able to go to the voters to continue the current tax. Now certainly, each of you have an idea of where you think the GO Bond might go if we ask for continuation, but this is where we would like to have it planted. We think it would be about a \$3 million investment. Number four, our fifth ask would be that we put a \$500,000 request into the governor's office to help us plan and design the new substation for the electrical facility. We are doing well at utilities, we think we have cash, but there's not a lot of opportunities for the electric plant to get grants, it's not a common thing, but we think we should approach it from a perspective of, "Help us design it, build it, make sure that we know where we want to put it." we believe the substation would go on the North side of town, somewhere around the golf course, that's the location of the tri-state line, it makes it really easy to access, puts it in the right part of town for growth, those would be the five requests that we would ask you to concur, and then we would begin to prepare our presentations with our lobbyist, Civility, and then also for the council of governments, and then be ready to work forward. So again, to recap, it would be two requests to the governor, \$1 million for wastewater, \$500,000 for our substation, and then from our area legislators, a focus on Lee Belle for \$500,000 for construction of the foundation, Marie Street planning, and then community multipurpose center planning. With that, we would stand for questions.

Mayor Hechler: Alright that was very precise and complete. Do we have any questions or concerns? Any other items on the ICIP that you'd like to see moved up?

Commissioner Fahl: Great plan by the leadership on how you want to lay that out in the coming years.

Mayor Hechler: Well you guys did the work earlier this year, the hard part, that's how we got the top five out here.

City Manager Whitehead: Just one last comment before you prepare to make a motion, we also really want to support SJOA, they have their own independent ICIP, I've met with Crystal, I have a list of items that we are going to meet about and discuss additionally, but we would say that when we go forward and use our lobbyist, or we present it to the council of governments, I would hope that the commission would give us full authority to stand side by side with SJOA and continue to improve our facility here for the seniors, they have some needs. Again, that's our ICIP, and we also want to be their partner as clearly as we can.

Mayor Hechler: I like those numbers and I like that idea, and I like the schedule. With that said, do I have a motion?

Commissioner Fahl made a motion to approve the Capital Outlay Process and Project as outlined. Commissioner Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

5. Discussion/Action: Trails + Grant MOU between the City of Truth or Consequences and Sierra County.

OJ Hechler, Community Services Director: What you have in front of you is a pretty standard, basic MOU. We are currently working on finalizing our grant application for the FY26 Trails+ grant. We will be applying for a Riverwalk trail that will run along the Rio Grande over at Ralph Edwards Park. We're also applying for a feasibility study for a permanent dam structure that will also act as a surf wave, likely located at Rotary Park. So that's what we're applying for. In the application, when the review committee reviews that at the state level for the Trails+ grant, it is favorable when more than one entity is working together on a project. We've put together a standard MOU; the city will still act as the fiscal agent, we'll still do the reporting, so our responsibility for it won't change. What we will ask the county for is to promote the completed projects through social media channels, be present at any ribbon-cutting ceremonies, any opening or celebratory events, be available for technical assistance as needed, designate a point of contact, and reach out to any county groups or organizations to help promote the events and our milestones on the project. I have sent this off to Ms. Vaughn, County Manager, she's aware of this, we have a letter of support, and this will be on the next county commission meeting, which I believe is October 21st. We just ask that we move forward and maybe get support from the commission for this MOU. With that, I'll stand for any questions.

Commissioner Fahl: Just a suggestion, I think we should include the village also because I think as a group, they're going to benefit from the people that come, and they support all that we're doing along the river, it'll just strengthen the proposal if you have one of them join too.

OJ Hechler, Community Services Director: That's a good idea, commissioner, we got the letter of support from Mayor Stubblefield so we do have that, that will help as well.

Commissioner Fahl: I think that'll be a great thing, if we could get that river surf wave wow. I'd pretty thankful.

OJ Hechler, Community Services Director: Honestly, with the feasibility study, I have no idea how this is going to go, but the feasibility study will tell us.

Commissioner Mitchell: My concern is it would disrupt the fish or something, you know.

Commissioner Fahl: No, they build them so that they don't.

OJ Hechler, Community Services Director: They've got a spot for fish to go through. What we're doing right now is blocking off the river completely, and fish can't get up and downstream. This will allow fish to go up and downstream, so it'll actually be environmentally friendly, and for the ecosystem as well.

Commissioner Fahl: I'm excited if we can get a river walk along at Ralph Edwards, because that just adds more enhancements for our community. It's going to be a great thing, so let's cross our fingers.

OJ Hechler, Community Services Director: With the river walk trail, we're looking at some electrical upgrades over there. We're looking at putting some irrigation in for trees that will provide shade there as well, so it's more than just the trail. Obviously, we're going to put signage out, and with the signage, we want to match what the Turtleback Trails Network is putting out as well, QR codes, all of that, to show what species are out there, what plants are out there, things of that nature.

Commissioner Fahl: That'd be awesome.

Mayor Hechler: A year ago, this wasn't even on our radar, what's the genesis of this? How did it materialize?

OJ Hechler, Community Services Director: We got nudged. As you know, Carl Colonius is the outdoor rec planner for the state, he was here for the Rio Grande Trails commission meeting. We took all the members of the commission over to Rotary Park, we showed them the Turtleback Trails, as you know, we designated a section of county road 805 as a segment of the Rio Grande Trail. Well, when he saw that, he had a couple of issues, environmental issues as well, but one for putting a bulldozer into the river, that was one of them. When we went to this ribbon-cutting ceremony in Farmington, he thought it would be a great opportunity to do a feasibility study. In Farmington, we met with their community development representative, I can't recall his name right now, but they started off the feasibility study. That's how they got their project funded and everything else.

Mayor Hechler: Is Farmington the only other city that has one in New Mexico?

OJ Hechler, Community Services Director: That I'm aware of.

Mayor Hechler: But in Colorado I'm hearing they have a some.

OJ Hechler, Community Services Director: Colorado's got a couple of them.

Mayor Hechler: So, it's a tried-and-true thing that works in communities. I'm curious to see how it'll work in our community since the river only flows a portion of the time depending on how much water we get.

OJ Hechler, Community Services Director: Correct, so obviously the river surf wave would only be active at a certain time of the year during irrigation season.

Commissioner Hoepfner made a motion to approve the Trails + Grant MOU between the City of Truth or Consequences and Sierra County. Commissioner Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

6. Discussion/Action: 3rd amendment to the Sierra Vista Hospital Joint Powers Agreement.

City Attorney Rubin: Just by way of background, and as you're all aware, the city has a Joint Powers Agreement with the County of Sierra, the City of T or C, the Village of Williamsburg, and the City of Elephant Butte. The purpose of the JPA is for the acquisition, ownership, maintenance, and operations of the hospital. Under the current JPA, we have nine board members, and there's an ownership designation on page ten which calls for ownership in the following percentages:

- County of Sierra – 40%
- City of T or C – 40%
- Village of Williamsburg – 5%
- City of Elephant Butte – 15%

That's what the JPA reads. Now, what's being proposed is a third amendment to that agreement. I'll walk you through the important points, and actually the most important thing to keep in mind is section one contemplates the withdrawal of the City of Elephant Butte from the JPA, that's the main cog. Effective as of the withdrawal date, the JPC and the governing board would be reduced to five board members, and section two is very important because during the negotiations, what was agreed upon, were subject to the discretion of the governing bodies, is that the City of Elephant Butte, as per section two, would still be responsible for its ongoing obligations under the JPA. That would include the incurrence of obligation that may even arise up and through August 28th, 2025. For example, you could have a TORT claim that might arise now, but was incurred prior to August 28th, 2025, so that would be covered. With Elephant Butte withdrawing, that would change the percentages:

- City of T or C would go to 47.06%
- County of Sierra would go to 47.06%
- Village of Williamsburg would go to 5.88%

This agreement is actually going through a few months' worth of revisions. I am told that the City of Elephant Butte has approved this already, and I have a signed copy from the county. The Village of Williamsburg has it on their next agenda, which is what I'm told. So, it's free for your consideration.

Mayor Hechler: Thank you for the explanation. So, the City of Elephant Butte is in the process of having elections just like we are. I'm sure that there will be some changes, is there a mechanism or a way for them to come back into the agreement if they want to down the road?

City Attorney Rubin: Well once they're withdrawn, they're officially out. Of course, you can always have subsequent negotiations or subsequent agreements between the parties, where that could be discussed, but this agreement does not call for that, no.

Mayor Hechler: No, okay. That's really my only question since I was involved in this thing.

Commissioner Hoepfner: Should we then, in that case, put a sentence in, that when they have a change of leadership and the new commission pretty much says, "Oh yeah, we were not in agreement with opting out."

Commissioner Fahl: I think, Ingo, that any of the parties could do that. If they get all new county commissioners that say, "Well we don't want to do that." I think all of us, at any point, could say, "Well we don't want to do it anymore." Right, Jay?

City Attorney Rubin: Right, that's kind of the same answer I just gave, yes.

Commissioner Fahl: I like the way I worded it better.

City Attorney Rubin: Okay.

Commissioner Fahl: Just kidding.

Mayor Hechler: I've had this discussion with some of the board members in the past, and I think what would happen is, it would have to be a unanimous consideration of all three entities to allow the City of Elephant Butte to come back.

City Attorney Rubin: I think that would be true.

Mayor Hechler: If they inquired about it, then we would meet about it and make that decision then. So, I think it's fine for that not to be in this particular document, there is a mechanism for them to come back if they want to down the road, and we can cross that bridge when we come to it.

City Attorney: Yeah, you can always have a subsequent agreement to a present agreement.

City Manager Whitehead: We discussed this, you guys have been more involved in it than I have, but in our original, you know, the residents of Elephant Butte have had sufficient time to bring political pressure amongst those commissioners if they wanted them not to get out of this agreement. I think you need to consider that, and I think you certainly wouldn't want a mechanism that would say, "Just because a new officer took effect in the county, that we don't want to play now, or now we do want to play." Running the hospital is serious, it's an important thing that we do, and Elephant Butte made a decision that was best for them, and I think that if they want back in at a future date, it should be a

conversation amongst the peers and those commissioners that work, and it should have a good process, not just a "Yeah, you can just ask and we'll let you back in."

City Attorney Rubin: Very true.

Commissioner Fahl made a motion to approve the 3rd amendment to the Sierra Vista Hospital Joint Powers Agreement. Commissioner Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

F. EXECUTIVE SESSION

1. Threatened & Pending Litigation (Rachel Higgins vs. City of T or C) pursuant to 10-15-1(H.7).

Commissioner Fahl made a motion to move into executive session at 4:55 pm to discuss item F-1: Threatened & Pending Litigation (Rachel Higgins vs. City of T or C) pursuant to 10-15-1(H.7). Commissioner Hoepfner seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

Mayor Hechler reconvened the meeting in open session at 5:21 p.m.

Commissioner Fahl certified that only matters pertaining to item F-1: Threatened & Pending Litigation (Rachel Higgins vs. City of T or C) pursuant to 10-15-1(H.7) was discussed in Executive Session and no action was taken in executive session.

G. RETURN TO REGULAR SESSION; ACTION (if any)

1. Threatened & Pending Litigation (Rachel Higgins vs. City of T or C) pursuant to 10-15-1(H.7).

Commissioner Fahl made a motion to approve the agreement subject to recommended by Commission and Council. Commissioner Mitchell seconded the motion. Motion carried unanimously.

I. ADJOURNMENT:

Mayor Hechler adjourned the meeting at 5:30 p.m.

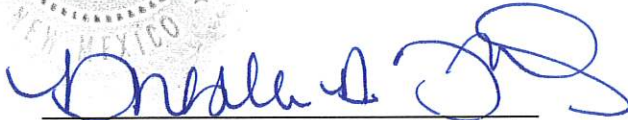
Passed and Approved this 8th day of October, 2025.

CITY COMMISSION SEPTEMBER 24, 2025 REGULAR MEETING MINUTES



Rolf Hechler, Mayor

ATTEST:



Angela A. Torres, CMC, City Clerk



Saving Tax Dollars by Empowering Citizens to Save Lives

Ledy VanKavage

Senior Legislative Attorney,

Best Friends Animal Society

- 2014 American Bar Association's Excellence in the Advancement of Animal Law Award
- 2018 Wallace Award winner
- 2021 Women in Government Relations winner of Best State Gov Campaign- Pets in Housing
- Past Chair of the American Bar Association's Tort, Trial & Insurance Practice's Animal Law Committee
- Past Chair of the Illinois State Bar Association's Animal Law Section





NM Statistics

- 60% of NM households caring for at least one pet.
- However, the majority of New Mexicans live in a community with poor access to veterinary care with 17.6% living in poverty according to US census data.
- In 2023, 87,546 dogs and cats entered shelters in New Mexico, the highest number of animals entering shelters per capita out of any state in the country,
- 25% of pet entering shelters were surrendered by their families





Best Friends Collaboration with T or C

- \$12,300 Medical Grant for Shelter Dogs and Cats
- \$5000 Adoption Stipend Grant
- 2 Chartered Flights with 80 animals transported to Best Friends Animal Sanctuary in Kanab, UT
- Funding for 3 T or C partners to pull more dogs and cats from the Shelter





Trends in Sheltering

- Assisting owner keep pet saves on average \$500 net/per pet
- Focus on resolution/improvement over citations (not uncommon for a large city to have \$1 million+ in unpaid citations)
- Bringing social workers into shelter & field operations to assist pet owners (most cross into other human needs which affect the pets)
- Repeat offenders not first-time complaints before citations
- Defining public versus private concerns & nuisances – getting multiple similar complaints in an area



What is the actual problem and why is it occurring?

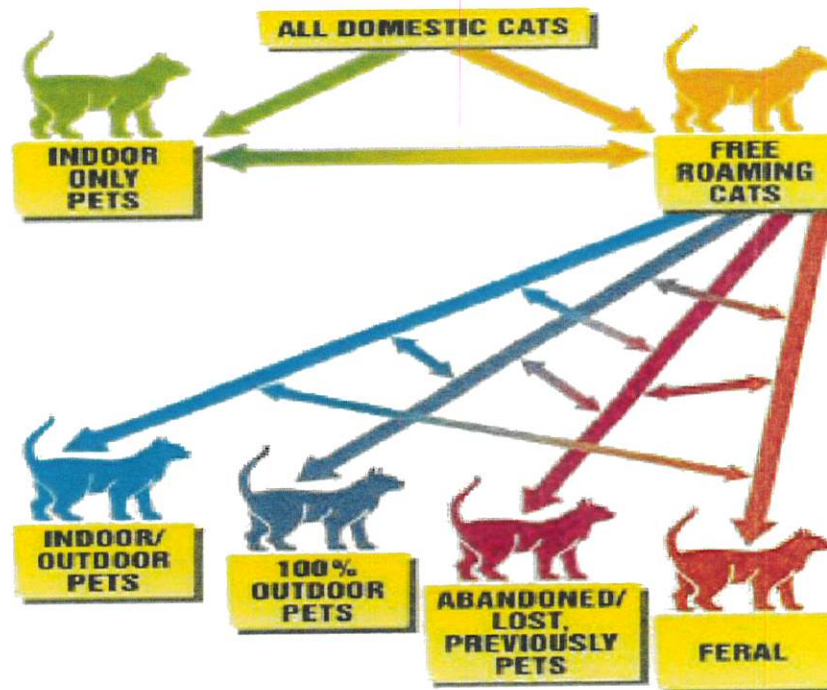
- Poverty
- Lack of Education
- Lack of Accessible Vet Care-Low Cost Spays & Neuters/Vaccines & Microchips
- Lack of Pet Inclusive Housing
- Lack of Fencing
- Reckless Owners (IMLA Reckless Owner Ordinance)

Punitive approach will not solve every problem





Cats are different from dogs-
Different species should have different policies!





Community Cat Program simply stated

A common-sense, cost-effective solution for controlling free-roaming cat populations by preventing additional births instead of trying to house, feed and adopt/kill more cats.





Why Community Cat Programs? Save \$\$

• Taxpayers deserve a program that is animal-friendly and more cost-effective, that reduces the burden and bureaucracy placed on animal control.

- Lower intake and euthanasia
- Less need for cat housing
- **Increase in employee morale**
- Greater community goodwill
- Reduced nuisance calls



It's also "worth" it for the municipalities

- Helpful considerations for local governments
 - The cost of capture and euthanasia is roughly double the cost of performing a sterilization procedure. See Kathy L. Hughes *et al.*, *The Effects of Implementing a Feral Cat Spay/Neuter Program in a Florida County Animal Control Service*, 5(4) J. APPLIED ANIMAL WELFARE SCI. 285-98 (2002) (average cost of impounding and killing a cat was an estimated \$139, while the average cost for surgery on the cat was \$56).

Community Cat Program Goals

- Protect the human population from any preventable impacts from community cats & increase # of vaccinated cats
- Stabilize and reduce the community cat population
- Provide health benefits to community cats for longer, healthier lives
- Reduce the strain community cats may place on municipal resources
- Less cats = less wildlife impacted

Cats that do not
meet criteria for CCPs

- Cats with any indicia of current ownership (e.g., collar, tag or microchip)
- Free-roaming cats with significant medical problems likely to need extended veterinary care
- Cats that are declawed

CCP basics

- In all CCPs, cats without identifiable owners are trapped at their sites of habitation, then taken to a facility where they are:
 - If healthy:
 - Surgically sterilized by veterinary personnel;
 - Vaccinated for Rabies/can be microchipped
 - While sedated, marked (usually by “tipping” their ears) so that it is obvious they have been sterilized; and
 - Returned to where they were found

Who can be involved?

- CCPs can be carried out by many individuals
 - Municipal shelters/workers
 - Private shelters/workers
 - Private individuals engaged with proper veterinary support at a shelter or private veterinarian
 - Veterinarians
 - Contractors with municipal governments

National Support

- The National Animal Care & Control Association believes “that indiscriminate pick up or admission of healthy, free-roaming cats, regardless of temperament, for any purpose other than TNR/SNR, **fails to serve commonly held goals of community animal management and protection programs and, as such, is a misuse of time and public funds and should be avoided.**”

National Support

- The American Bar Association urges all local governments to adopt uniform laws and policies that allow the implementation and administration of TNR programs.



Conflict mitigation

- People are more concerned with the nuisance behavior than the actual presence of the cat
- Cats can be conditioned to avoid a property through simple, proven techniques
- Best Friends offers free training to teach participants how to work with residents on mitigating conflicts with cats
 - *You Tube videos on cat deterrents*
<https://www.youtube.com/watch?v=vMywPSBD7CQ>



