

Regular Meeting of the City Council, City of Farmington, New Mexico, held in the Council Chamber at City Hall at 6:00 p.m. on Tuesday, February 26, 2019. The open regular session was held in full conformity with the laws and ordinances and rules of the Municipality.

Upon roll call, the following were found to be present, constituting a quorum:

MAYOR	Nate Duckett
COUNCILORS	Linda G. Rodgers Sean E. Sharer Jeanine Bingham-Kelly
ABSENT	Janis Jakino, Councilor

constituting all members of said Governing Body.

Also present were:

CITY MANAGER	Rob Mayes
ASSISTANT CITY MANAGER	Julie Baird
CITY ATTORNEY	Jennifer Breakell
CITY CLERK	Dianne Smylie

The meeting was convened by the Mayor. Thereupon the following proceedings were duly had and taken:

INVOCATION: The invocation was offered by Pastor Aaron Taylor of Crossroads Community Church.

Councilor Sharer led the Pledge of Allegiance.

RESOLUTION NO. 2019-1698/2ND AMENDMENT PRESERVATION CITY

Due to the number of people present in the audience, Mayor Duckett asked the Council for permission to move Resolution No. 2019-1698 to the beginning of the meeting.

Acknowledging that the proposed resolution declares the City of Farmington as a 2nd Amendment Preservation City and will likely result in differing opinions, Mayor Duckett reminded the audience members that the city of Farmington is a Civility First community and he asked that order be maintained and that respect be shown for all. He read the proposed resolution in its entirety and he asked by a show of hands who was present at tonight's meeting in support of the measure. The majority of the audience raised their hands with only a handful of individuals raising their hand in opposition. Mayor Duckett announced his support for Resolution No. 2019-1698 declaring Farmington as a 2nd Amendment Preservation City because he believes that it is important for elected officials to make the concerns of their constituents known to the state legislators, particularly when the rights of the United States Constitution are being threatened. He explained that the proposed resolution is in response to numerous gun control bills that are being considered by the state legislature, but noted that such laws are deemed to be constitutional until decided by a judge. He noted that it is important that elected judges are willing to uphold the constitution as the foundation of this nation and he asked the Council for their comments.

Councilor Rodgers expressed her support for the proposed resolution, stating that she believes in the constitutional rights established by the founding fathers.

Councilor Sharer stated that he finds it sad that the city of Farmington is being forced to defend its constitutional rights against actions being taken by the state legislature. He voiced his support for the proposed resolution since his Oath of Office requires him to uphold the Constitution of the United States.

Councilor Bingham-Kelly also expressed her support for the proposed resolution.

Mayor Duckett read a prepared statement from Councilor Jakino expressing her support for the proposed resolution based on her Oath of Office.

There being no further discussion, a motion was made by Councilor Rodgers, seconded by Councilor Sharer to pass and adopt Resolution No. 2019-1698 as presented. The roll was called with the following result:

Those voting aye:	Linda G. Rodgers Sean E. Sharer Jeanine Bingham-Kelly
Those voting nay:	None
Those absent:	Janis Jakino

The presiding officer thereupon declared that three Councilors having voted in favor thereof, the said motion carried.

CONSENT AGENDA: The Mayor announced that those items on the agenda marked with an asterisk (*) have been placed on the Consent Agenda and will be voted on without discussion by one motion. He stated that if any item did not meet with approval of all Councilors or if a citizen so requested, that item would be removed from the Consent Agenda and heard under Business from the Floor.

*MINUTES: The minutes of the Regular Meeting of the City Council held February 12, 2019.

*BID: The Contracts Administrator recommended that the bid for annual municipal utilities improvements (Public Works) be awarded to TRC Construction, Inc. on its low bid meeting specifications after application of five percent in-state preference of \$4,072,171. Bids opened February 13, 2019 with two bidders participating.

*BID: The Chief Procurement Officer recommended that the bid for purchase of wood distribution poles (Electric) be awarded to McFarland Cascade Holdings, Inc. on its low bid meeting specifications of \$475,750. Bids opened February 19, 2019 with two bidders participating.

*BID: The Chief Procurement Officer recommended that the bid for purchase of switches, disconnects, reclosers, sectionalizers and padmount switchgear (Electric) be awarded to Western United on its low bid per category after application of five percent in-state preference of \$166,908.75, and that the bid received from Graybar Electric for Category 1 be rejected for not meeting specifications. Bids opened February 12, 2019 with four bidders participating.

*BID: The Chief Procurement Officer recommended that the bid for relay panels for Twin Peaks Substation (Electric) be awarded to McKinley Sales Company on its low bid meeting specifications after application of five percent in-state preference of \$469,852. Bids opened February 5, 2019 with four bidders participating.

*REAPPOINTMENT OF REGISTERED VOTER ROBERT MILLER as an alternate municipal judge pursuant to Section 11-2-3 of City Code (term to March 31, 2020).

*WARRANTS PAYABLE for the time period of February 10, 2019 through February 23, 2019, for current and prior years, in the amount of \$7,980,981.56.

There being no requests to remove any items, a motion was made by Councilor Sharer, seconded by Councilor Rodgers to approve the Consent Agenda, as presented, and upon voice vote the motion carried unanimously.

RECOMMENDATION FROM THE PLANNING AND ZONING COMMISSION:

CONSENT AGENDA: Acting Community Development Director/Public Works Director David Sypher requested that the Planning and Zoning Commission recommendation marked with an asterisk () be placed on the Planning and

Zoning Commission Consent Agenda and voted on without discussion. He asked that if the item proposed did not meet with approval of all Councilors or if a citizen so requested, the item would be removed from the Consent Agenda and heard in regular order.

- * (1) Adoption of the recommendation from the Planning and Zoning Commission as contained within the Community Development Department Action Summary to approve Petition No. SUP 18-100 from Halliburton, represented by Vade Hollingsworth and David Kasnoff, requesting a Special Use Permit for outside storage of hazardous materials for property located at 3250 Southside River Road in the IND, Industrial, District, subject to:

- (a) the applicant finalizing the summary plat that has already been submitted;
- (b) the applicant submitting building plans that are consistent with all City building and fire standards and/or other agency permits prior to construction of the hazardous storage area;
- (c) All required federal, state and local permits and approvals being obtained by the applicant and submitted to the City prior to any construction or commencement of any work. Any required alteration to the proposal as a result of state or federal agency review must be submitted as a revision to applicable City-issued permits and be reviewed by the Community Development Department. The following minor amendments shall be reviewed and approved:
 - (1) Changes that result in a decrease or intensity for the storage of hazardous materials;
 - (2) Change in the designation/location of the hazardous storage area on the subject property;
 - (3) Change in major infrastructure (e.g. roads/access, sewer, water, storm drainage) for the subject property.
- (d) all other proposed amendments not specifically addressed above shall be considered major amendments and must be processed in accordance with the procedures and requirements of Section 8.9.3 of the Unified Development Code pertaining to the special use application process.

As a contingency to acquire and maintain the Special Use Permit, the Fire Department sets forth the following requirements as outlined in the 2003 International Fire Code (IFC 2003 - 105.1.2, 2003 IFC - 105.2). Before any hazardous materials are stored or used, the following shall occur:

- (e) provide engineered plans for review and approval to include:
 - (1) site layout with all control areas;
 - (2) control area identifying all chemicals and the amounts stored or used;
 - (3) scalable distances for each control area from all lot lines, buildings and other control areas;
 - (4) code analysis being conducted by a fire protection or chemical engineer to ensure compliance with the International Building Code (IBC) and the International Fire Code (IFC);
 - (5) all Material Data Sheets, including all mixtures, being available;
 - (6) all chemicals being identified by their hazard class as outlined in the IFC;
 - (7) all chemicals being identified as meeting the Mass Allowable Quantity (MAQ), or exceeding the MAQ as outlined in the IFC; and
 - (8) detailed construction plans for all needed permits.
- (f) The development of an Emergency Action Plan (EAP)
- (g) a detailed description of all processes and storage and intended use of all chemicals being provided;

- (h) the following chapters in the 2003 IFC being met:
 - (1) Hazardous Materials General Provisions;
 - (2) Corrosive Materials;
 - (3) Flammable and Combustible;
 - (4) Flammable Solids;
 - (5) Highly Toxic and Toxic Materials; and
 - (6) Water Reactive Solids and Liquids.
- (i) all requirements being met for the addition of any new chemicals, the use of chemicals, control areas or buildings and an updated EAP being submitted.

The following conditions are requirements of the Public Works Engineering Division:

- (j) compliance with the Environmental Protection Agency's (EPA) National Pollutant Discharge Elimination System (NPDES) Multi-Sector General Permit (MSGP) for Industrial Uses which requires Halliburton to seek coverage pursuant to Part 8, Subpart I, Sector I of the MSGP;
- (k) the petitioner submitting evidence of compliance with the EPA's NPDES MSGP permit for protection of the City's Municipal Separate Storm Sewer System (MS4) and associated surface waters within the city limits;
- (l) a copy of the Notice of Intent (NOI) for coverage submitted to the EPA and a copy of the required Drainage Area Site Map, to include storm water discharge points from the property, Potential Pollutant Sources, and Erosion and Sediment Controls being submitted to the City for our records;
- (m) the petitioner meeting all additional requirements of EPA's NPDES MSGP permitting process;
- (n) the petitioner taking measures (cleaning ditches or ponding area that are silted) to reduce the amount of runoff that leaves the property during storm events;
- (o) the petitioner removing silt and restoring ponds to capture and retain the runoff;
- (p) the petitioner maintaining the National Pollutant Discharge Elimination System (NPDES) Multi Use General Permit.

The following recommended operational conditions shall be required for the life of the project:

- (q) the special use permit remaining in effect, provided that the use meets the conditions imposed by the subject petition and Halliburton maintains a valid City of Farmington business registration;
- (r) any contamination/leaks/releases that occur on the property being immediately reported to the Police and Fire Departments, the Building Inspection Division of the Community Development Department and to all relevant local, state and federal authorities;
- (s) the City reserving the right to revoke the special use permit, by future action of the City Council, if the operations pose detrimental health impacts to the surrounding area or environment; and
- (t) the special use permit being revoked if any of the above conditions are not met.

There being no requests to remove the item, a motion was made by Councilor Rodgers, seconded by Councilor Sharer to approve the Planning and Zoning Commission Consent Agenda, as presented, and upon voice vote the motion carried unanimously.

AERIAL ADVENTURES MARKET ANALYSIS AND FEASIBILITY STUDY

Outdoor Recreation Industry Initiative Director Cory Styron introduced Amy Bell of Ground Works Studio and Thaddeus Shrader of Bonsai Design and explained that staff is seeking direction on how to proceed with the proposed project.

Utilizing a PowerPoint presentation, Ms. Bell reported that Lake Farmington and Berg Park have been identified as areas for aerial adventures and stated that the designs being proposed tonight are the result of community input and survey results which indicate that big

views/thrill factors and multi-generational engagement are important. She reported that the first phase of aerial adventures being proposed for Lake Farmington consists of dual, racing zip lines (about 1700 feet in length) over the lake with towers on both sides (110 and 85 feet in height) that offer a climbing wall, rappelling, a free fall experience and cargo nets. She noted that the second phase is an "over the water" adventure that will be located adjacent to the beach and parking area and would focus on balance and strength activities without a harness. She stated that, to her knowledge, the proposed "over the water" adventure does not exist anywhere else and would be unique to Farmington. She explained how themes could be utilized to connect the activities with Farmington's identity and culture and stated that the adventures being proposed at Lake Farmington would be in conjunction with other activities including food trucks, party rentals, music, picnic seating, etc. at a proposed cost of \$39 for a full-day pass. She pointed out that this project at Lake Farmington would likely "break even" or pay for itself in about seven to ten years and noted that the cost of phase one is \$2.5 to \$3 million and the cost of phase two is approximately \$1 million. With regard to Berg Park, Ms. Bell reported that the structures being planned are a forest theme that focuses on youth and nature play and will include a willow maze, pulley chairs, climbing logs, a lava pit, treehouse, swinging net and a giant swing. She noted that these structures will be free to the public and unsupervised and are being proposed at a cost of \$2 to 2.5 million. She noted that the structures are ecologically sensitive and would encourage teamwork and problem-solving skills and stated that the project could be done in phases by local individuals which would reduce the cost. She also reported that the demographics for the area indicate that there is a strong youth market, a good median income and limited competitiveness which are all positive factors for aerial adventures.

Mayor Duckett expressed his excitement for the projects and he asked the Council to consider offering their opinion on whether Lake Farmington or Berg Park is the highest priority given cost projections. In response, Councilor Sharer stated that he is excited about the possibilities since it will give citizens "something to do here." He stated that he is supportive of both projects but thinks that Lake Farmington should be the highest priority since it will generate income. Councilors Rodgers and Bingham-Kelly also expressed their enthusiasm and agreed that Lake Farmington should be the highest priority.

Mayor Duckett noted for the record that he received a letter from Friends of the Nature Center opposing a children's component being added to Berg Park because of the disruption that it will have on the wildlife.

In response to further discussion, it was the direction of the Council to focus on phase one of Lake Farmington and Mr. Styron pointed out that there is a possibility that a public-private partnership could be established for this project.

The Mayor asked for comments from the members of the audience.

Jeff Rendall, 4703 W. Hopi Street, stated that he is supportive of the project but is concerned about the liability to the City. In response, Mayor Duckett reiterated that the particulars will be decided as the project evolves.

Alex Uhl, 3 Road 6054, also voiced concern for the liability and the ongoing costs associated with operation.

Dr. Bob Lehmer, 1901 Placitas Trail, expressed his support for a zip line at Lake Farmington but stated that he is opposed to having one at Berg Park because it will disrupt the wildlife. He also pointed out that parking at Berg Park is limited and stated that he hopes that it can be expanded in the future.

Timothy Lawler, 303 W. Tycksen Drive, suggested that sponsorship be considered as a means for offsetting the cost.

Mr. Shrader reported that communities are pursuing these types of ventures in various ways which often includes public-private partnerships. He stated that for many years it was popular to create polarization around outdoor recreation but noted that there is a movement to integrate the various interests. He stated that his company testified before Congress two weeks ago about the success of transitioning communities and happily reported that Farmington was mentioned for its

efforts in promoting the oil and gas and outdoor recreation industries in partnership.

RESOLUTION NO. 2019-1697/METROPOLITAN REDEVELOPMENT AREA PLAN

MPO Officer/CDBG Administrator Mary Holton introduced Liza Miller and Ben Savoca of Architectural Research Consultants, Inc. who are the City's consultant on the proposed Metropolitan Redevelopment Area (MRA) Plan update. She noted that the Metropolitan Redevelopment Agency Commission ("MRA Commission") unanimously voted to approve the proposed update at its meeting on February 19, 2019 and she recommended adoption of Resolution No. 2019-1697.

Ms. Miller briefly reviewed the proposed amendments to the MRA Plan and explained the methodology that was used, including extensive public input. She noted that one of the most significant amendments is the development of a water feature in the Animas District using existing resources (such as a canal) and connecting with the Animas River.

Councilor Rodgers expressed her support for the proposed amendments, stating that she believes that this is a "great map forward" for the downtown area.

Mayor Duckett also expressed his support and he asked the members of the audience for comment.

John McNeill, Chairman of the MRA Commission, stated that he believes that this plan can serve as a marketing tool for the outdoor recreation industry initiative and he recommended that the proposed resolution be adopted.

Following further discussion, a motion was made by Councilor Rodgers, seconded by Councilor Sharer to pass and adopt Resolution No. 2019-1697 as presented. The roll was called with the following result:

Those voting aye:	Linda G. Rodgers Sean E. Sharer Jeanine Bingham-Kelly
Those voting nay:	None
Those absent:	Janis Jakino

The presiding officer thereupon declared that three Councilors having voted in favor thereof, the said motion carried.

PHASE 5/SHORT-TERM GENERATION PROJECT/ELECTRIC UTILITY DEPARTMENT

Electric Utility Director Hank Adair introduced Generation Manager Britt Chesnut, Generation Superintendent Jamie Shockey and Generation Engineer Ben Banks. Utilizing a PowerPoint presentation, he reported that the Integrated Resource Plan ("IRP") was completed in 2017 and identified short-, mid- and long-term options for expanding the utility's generation portfolio. He stated that the short-term option is to install reciprocating engines at Bluffview Power Plant with the mid-term option being the installation of a combined cycle generation asset and five megawatts of solar as the long-term goal. He requested permission to proceed with Phase 5 (bidding and air permitting) for the short-term generation project, noting that it will take approximately 12 months for the reciprocating engines to be constructed. He also noted that the Animas Power Plant is reaching the end of its life and will need to be abandoned at some point in the future for safety reasons. Mr. Adair reported that the utility has budgeted the entire \$28 million required for the project with 60 percent of the funds being spent in Fiscal Year 2020 and 40 percent being spent in Fiscal Year 2021. He also noted that 35 percent of the funds will be paid from Cash Reserves with 65 percent being bonded. In closing, he noted that the Public Utility Commission unanimously recommended that staff be directed to proceed with Phase 5 of the short-term generation project as proposed, noting that this phase will cost approximately \$200,000.

In response to inquiry from Mayor Duckett, Mr. Adair explained that the reciprocating engines will provide flexibility even if San Juan Generating Station remains open beyond the year 2020 because they offer a 10-minute quick start. In addition, he stated that the engines will

offset the Animas Power Plant which is only being utilized for voltage control and "upset" conditions.

Responding to a question from Councilor Sharer, Mr. Adair confirmed that this project could be deferred until after the final decision is made on San Juan Generating Station, but noted that the utility will have to determine whether to retire Animas Power Plant or to invest a significant amount of capital funds (\$2 million) to make it functional. He explained that this plant has no flexibility and is either operated at 18 megawatts or at zero.

Councilor Rodgers asked how much it would cost to decommission Animas Power Plant. In response, Mr. Adair reported that he cannot recall the amount, but stated that it is significant. In response to further inquiry, he reported that the NOx emissions for the reciprocating engines will meet air quality requirements and will have selective catalytic reduction emission control technology. He reported that approximately \$487,000 has been spent on this project to date.

Following further discussion concerning generation capacity and flexibility, Mayor Duckett asked for comments from the members of the audience.

Steve Ellison, 333 Canyon View Drive, pointed out that the IRP indicates that if the San Juan Coal Plant retires after 2027, the preferred option would not be reciprocating engines. In response, Mr. Adair explained that the circumstances surrounding Animas Power Plant have changed since the IRP was conducted. Mr. Ellison also stated that he is hopeful that the Animas Power Plant will be decommissioned and abandoned in place since it is located adjacent to the river corridor. He also questioned whether it would be more appropriate to table the decision until after the legislative session has ended.

MP Schildmeyer, 80 Road 4992, stated that she has read that the City has entered into an agreement with Acme Equities to keep San Juan Generating Station and San Juan Mine in operation beyond the year 2022 and questioned the legal status of that agreement. In response, City Manager Rob Mayes pointed out that this item is not related to the request being made by the Electric Utility Department but explained that a nonbinding letter of intent was signed indicating that both parties will negotiate a formal purchase agreement.

Alex Uhl, 3 Road 6054, announced that he is a member of the Public Utility Commission and also a power plant operator who understands voltage and need for quick start-up. He expressed his support for the proposed project since it will provide better control for the system.

There being no further discussion, a motion was made by Councilor Rodgers, seconded by Councilor Sharer to direct staff to proceed with Phase 5 (bidding and permitting) of the short-term generation project, as recommended by the Public Utility Commission, and upon voice vote the motion carried unanimously.

COUNCIL BUSINESS

Recognition of the Public Works Department

Mayor Duckett thanked the employees of the Streets Division for proactively repairing the numerous potholes that have developed in the roadways. Councilor Sharer echoed his comments and stated that he is also appreciative of how quickly the roadways are being plowed in response to the recent snowstorms.

Paving of McCormick School Road

In response to inquiry from Councilor Rodgers, Public Works Director David Sypher reported that he is aware that McCormick School Road needs to be cleaned-up and paved, but noted that the asphalt plants are closed for the winter. He assured her that this roadway is the first priority.

CITY MANAGER BUSINESS

Cancellation of the March 19, 2019 City Council Work Session

City Manager Rob Mayes requested that the March 19, 2019 City Council Work Session be canceled due to spring break and several key personnel being out-of-town.

Thereupon, a motion was made by Councilor Rodgers, seconded by Councilor Sharer to cancel the March 19, 2019 City Council Work Session, and upon voice vote the motion carried unanimously.

BUSINESS FROM THE FLOOR

Operation of San Juan Generating Station

MP Schildmeyer, 80 Road 4992, asked if it will be necessary for the other owners of San Juan Generating Station to participate in the letter of intent that was recently signed by the City of Farmington and Acme Equities, LLC with regard to the continued operation of San Juan Generating Station. In response, City Manager Rob Mayes reported that the other owners do not have to approve the specific terms of any purchase agreement because they have indicated that they are transferring their ownership rights after the year 2022. However, he did acknowledge that there will be some logistical issues associated with the abandonment and transfer of operations that will require negotiation and cooperation from the other owners.

Ms. Schildmeyer also pointed out that the principles of Senate Bill 489 (the Energy Transition Act) are in direct conflict with the decision to operate San Juan Generating Station beyond the year 2022 and questioned the City's position. In response, Mayor Duckett announced that he spoke against the bill last weekend due to the future emission standards being proposed and how they directly impact San Juan Generating Station, the proposed renewable portfolio standards which will create financial hardships for many New Mexicans and the lack of local control associated with managing the Economic Development Fund. Furthermore, he explained that there is no guarantee that the proposed 450 megawatts of power will be built within the Central Consolidated School District which would result in a loss of revenue.

In response to his comments, Ms. Schildmeyer reported that she spoke with a legislative representative who assured her that local communities will be involved in the process of distributing funds from the Economic Development Fund.

CLOSED MEETING

A motion was made by Councilor Rodgers, seconded by Councilor Sharer to close the meeting to discuss request for proposals for report management software, pursuant to Section 10-15-1H(6) NMSA 1978. The roll was called with the following result:

Those voting aye:	Linda G. Rodgers Sean E. Sharer Jeanine Bingham-Kelly
Those voting nay:	None
Those absent:	Janis Jakino

The presiding officer thereupon declared that three Councilors having voted in favor thereof, the said motion carried.

The Mayor convened the closed meeting at 7:59 p.m. with Councilors Rodgers, Sharer and Bingham-Kelly being present.

Following the closed meeting, during which meeting the matter discussed was limited only to that specified in the motion for closure, a motion was made by Councilor Rodgers, seconded by Councilor Sharer to open the meeting for further business, and upon voice vote the motion carried unanimously.

The open meeting was reconvened by the Mayor at 8:04 p.m. with Councilors Rodgers, Sharer and Bingham-Kelly being present.

REQUEST FOR PROPOSALS/REPORT MANAGEMENT SOFTWARE

Chief Procurement Officer Kristi Benson reported that proposals for report management software (Fire) opened on October 30, 2018 with one offeror participating. She recommended that the proposal be awarded to ImageTrend, Inc. as the sole proposal is deemed to be fair and reasonable and in the best interest of the City.

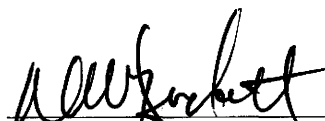
Thereupon, a motion was made by Councilor Rodgers, seconded by Councilor Sharer to award the proposal for report management software to ImageTrend, Inc., as recommended by the Chief Procurement Officer, and upon voice vote the motion carried unanimously.

There being no further business to come before the Council, a motion was made by Councilor Sharer, seconded by Councilor Rodgers to adjourn the meeting at 8:06 p.m., and upon voice vote the motion carried unanimously.

The City Clerk certified that notice of the foregoing meeting was given by posting pursuant to Resolution No. 2013-1466, et seq.

Approved this 12th day of March, 2019.

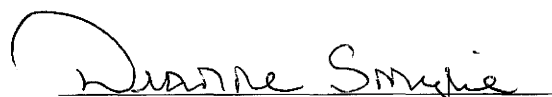
Entered in the permanent record book this 13th day of March, 2019.



Nate Duckett, Mayor

SEAL

ATTEST:



Dianne Smylie, City Clerk