

**Minutes
Regular Meeting
January 10, 2023**

The Village of Capitan Board of Trustees met in a Regular Meeting on Tuesday, January 10, 2022 at the Village Hall in Capitan, New Mexico at 6:00 PM.

Mayor Lowrance called the meeting to order at 6:00 PM.

Roll Call: Mayor Lowrance – present, Trustee Kearns – present, Trustee Shearer – present, Trustee Fraley – present, Trustee Hair – present. Al Cavazos – Village Clerk, Donna Weekley – Administrative Assistant, LeAnne Brasher – Finance Officer, Steve Osborn – Water Department Supervisor, Randy Spear – Police Chief, and Kevin Kennedy – Fire Chief/Projects Administrator were also present. A list of others in attendance is attached.

Item #1 on the Agenda: Approval of the Agenda.

Trustee Shearer made a motion to Approve the Agenda. Trustee Fraley seconded the motion.

Discussion: There was no discussion of this item.

Roll Call: All were in favor, the motion carried.

Item #2 on the Agenda: Public Input. (2 Minute Limit per Speaker).

There were no public comments.

Item #3 on the Agenda: Mayor and Trustee Comments

Trustee Hair had no comments.

Trustee Fraley had no comments.

Trustee Shearer had no comments.

Mayor Lowrance had no comments.

Trustee Kearns ask that an update on the train depot be a standing item on the agenda until the project is finished. He also explained the Village is the fiscal agent for Healing America's Heroes. Healing America's Heroes works with veterans and will be having a fundraiser February 10 at Cree Meadows. More information is available about the program on their website.

Item #4 on the Agenda: Consent Agenda:

- a. **Approval of the Minutes: Water Rate Study Workshop – December 6, 2022**
- b. **Approval of the Minutes: Regular Meeting – December 13, 2022**

Trustee Fraley made a motion to Approve. Trustee Hair seconded the motion.

Discussion: There was no discussion of this item.

Roll Call: All were in favor, the motion carried.

Item #5 on the Agenda: Discussion – A Presentation by Karl Pennock on Water Rate Study and Recommendations

Discussion: Karl Pennock is still working on the rate study and will be providing a draft report in February with the recommendation of a rate adjustment over several years. He shared public and

continued Item #5 on the Agenda: Discussion – A Presentation by Karl Pennock on Water Rate Study and Recommendations

private water/sewer rates from across the state. Trustee Shearer pointed out the Village's rate for 6,000 gallons is already higher than the rates being presented. Mr. Pennock agreed and then showed the rate the Village charges for sewer is significantly lower. An attendee said the rate for water, sewer, and trash in Cloudcroft is \$105. Mr. Pennock also explained privately run systems charge more because they do not have access to grants.

Item #6 on the Agenda: Discussion – Discussion – A Presentation by Jim Carlton on Capitan Mountain Ranch Land

Discussion: Jim Carlton from Green Mountain Real Estate and Laurie Jones from Hayden Outdoors shared information about 286 acres north of the Village for sale. The asking price is \$3.5 million. Trustee Shearer is concerned how the development of the land will affect run off. Mr. Carlton has not found any recorded water rights for this property. It was discussed that other property in the same area was trying to be developed and has not been successful so far.

Peggy Wilson, a member of the Planning Board, said that from what they know is coming down the line, a huge marijuana grower is looking in this area of New Mexico. She loves this rural kind of life. The town she grew up in was a farming community and had no zoning. Now the town is more than 75% warehousing and they are about to tear down her high school. She is concerned what will happen to Capitan without having rules in place. She sees this property north of the Village as being in the Village's control about where development occurs and keeping the community rural.

Trustee Kearns said lack of zoning has seemed like a good idea in the past and it turned out to maybe be not such a good idea. If a developer comes in to this property north of the Village, it will not be the character of Capitan.

Mrs. Wilson said the citizens can design where they want things and were they do not want things. There can be spot zoning and it work really well. Things can be grandfathered in. The Village loses control when the State and others come in and tell the Village what to do. The community should decide where they want commercial and residential. The Village needs to protect its way of life.

Jim Carlton said Cloudcroft made the same mistake with the Council not passing any zoning for marijuana stores. There are three in a one mile square town and one is next to the Catholic church.

Item #7 on the Agenda: Discussion/Action – Approval of Bills Paid for December 2022

Trustee Shearer made a motion to Approve. Trustee Kearns seconded the motion.

Discussion: There was no discussion of this item.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair – yes

Item #8 on the Agenda: Discussion – Mid Year Budget Review

Discussion: Trustee Shearer asked if it was a Net 0 and was given confirmation. Trustee Fraley asked how the CDs were doing. Al Cavazos explained the initial CD with 2.36% has already earned over \$4000 and matures on February 22. The next one will be 4.75%. There is another 5 year CD with \$109,000 that has only earned \$700 over the years. It will mature in October 2026. They are going to look into removing that and reinvesting. Trustee Kearns was concerned the front-end commissions might

Continued Item #8 on the Agenda: Discussion – Mid Year Budget Review

consume all of the interest earned on shorter investments. Trustee Fraley said when it is time to reinvest, the Councilors can look at the different terms to determine the best investment.

Trustee Shearer asked if Smokey Bear Enterprise was doing better. LeAnne Brasher said it was just barely holding on.

Item #9 on the Agenda: Discussion/Action – Adopt Resolution 2023-01 Budget Adjustment Resolution (BAR)

Trustee Shearer made a motion to Approve. Trustee Hair seconded the motion.

Discussion: There was no discussion of this item.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair – yes

Item #10 on the Agenda: Discussion/Action – Approve Purchase of Requirements to Bring Well into Compliance with Environment Dept.

Trustee Fraley made a motion to Approve. Trustee Hair seconded the motion.

Discussion: There was no discussion of this item.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair – yes

Item #11 on the Agenda: Discussion/Action – Approve Purchase of Entrance Gate for Waste Water Treatment Plant (WWTP)

Trustee Fraley made a motion to Approve. Trustee Hair seconded the motion.

Discussion: Trustee Shearer asked if this was in the budget and was told no. She asked if they should go back and amend the budget adjustment by adding this item. Trustee Kearns asked why this was needed now. Mayor Lowrance explained this is where the gas tanks were placed. Trustee Shearer asked if this was coming out of the Water Dept. funds and said it was for everyone so it should come out of the General Fund. LeAnne Brasher said the cost to build the pads for the tanks was divided between the departments. This cost can be divided with the Police, Fire, Street, and Water Departments. An attendee asked what kind of gate this was and Steve Osborn told her it was a cantilever gate. This would give them more room to pull off the highway when entering so the roadway is not blocked. A cantilever gate with a keypad is quicker and easier but they can go with a swinging gate which is cheaper. Trustee Kearns asked why access from the highway is better than access behind the police department. Steve said when they do the brush drop offs, it is awkward how the traffic is brought in. They do not want people to end up in a lagoon. With the entrance off the highway, they would have a straight shot from the entrance to an exit. Trustee Kearns clarified it is not about security. Steve said it is about ease of access. He also pointed out a truck ran into the fence where the new gate would be. It is already going to cost the Village to fix the fence. With the new gate, that section of fence will be removed. Trustee Kearns pointed out a culvert and a driveway will be needed. The culvert is not included in the quote.

Roll Call: Trustee Shearer – yes, Trustee Kearns – no, Trustee Fraley – yes, Trustee Hair – yes

Item #12 on the Agenda: Discussion/Action – Approve Application for Mobile/Manufactured Home at 104 Lynx – Brian Newell

Trustee Shearer made a motion to Approve. Trustee Hair seconded the motion.

Discussion: There was no discussion of this item.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair – yes

Item #13 on the Agenda: Discussion/Action – Subject to Closing-Approval of Dedication of Randle Road

Trustee Shearer made a motion to Approve. Trustee Hair seconded the motion.

Discussion: Trustee Shearer asked if this was the easement the Village just purchased and received confirmation from the Mayor.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair – yes

Item #14 on the Agenda: Discussion/Action – Adopt Resolution 2023-02 Village of Capitan to Act as Fiscal Agent for Healing America’s Heroes

Trustee Shearer made a motion to Approve. Trustee Hair seconded the motion.

Discussion: Trustee Fraley asked if this was done every year. Trustee Shearer explained as a nonprofit, they need this to have access to Capital Outlay Funds.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair – yes

Item #15 on the Agenda: Discussion/Action – Adopt Resolution 2023-03 Approve Application for Colonias

Trustee Shearer made a motion to Approve. Trustee Fraley seconded the motion.

Discussion: Trustee Shearer asked if the Village is going for a Colonias grant and Mayor Lowrance confirmed the Village is going for a Colonias grant.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair – yes

Item #16 on the Agenda: Discussion/Action – Approve \$7,325.00 Purchase of Automated External Defibrillator (AED) Machines for the Fire Department

Trustee Shearer made a motion to Approve. Trustee Hair seconded the motion.

Discussion: Kevin Kennedy explained this was for the purchase of five units. The Fire Marshall has mandated they carry these units. Kevin obtained a grant for \$6,000 and the rest of the money will come out of Fire Funds.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair – yes

Item #17 on the Agenda: Discussion/Action – Approve Purchase of Vehicle for Animal Control

Trustee Shearer made a motion to Approve. Trustee Hair seconded the motion.

Discussion: Trustee Shearer asked if it was already in the budget. It was included in the budget but the price has increased. Randy Spear explained they added it to the DFA loan and will pay it off in two or three years.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair – yes

Item #18 on the Agenda: Discussion/Action – Approve Purchase of Rotating Speed Alert Monitor

Discussion: Randy Spear said this machine will count vehicles, show speed of vehicles, record speeds, and record day and time of travel. This information will also help Johnathon with his grants by showing

Continued Item #18 on the Agenda: Discussion/Action – Approve Purchase of Rotating Speed Alert Monitor

road usage. The batteries for the old machine are around \$170 each and are not lasting. It cannot be used on State highways but can be used on Village streets and in the subdivision. Donna Weekley asked if there was a motion and a second and was told there had been a motion and a second.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair – yes

Item #19 on the Agenda: Discussion/Action – Approve Purchase of Village Vehicle

Trustee Shearer made a motion to Approve. Trustee Hair seconded the motion.

Discussion: Al Cavazos explained last month the Council had approved the purchase of two vehicles for the Police Department that were available. Then, the Ford dealership called Randy Spear and said this vehicle, that was not supposed to be ready, was now available. A year ago, the price for the car was \$36,000. Randy said since they were getting a loan for the other two vehicles and the dog truck, they could use the funds that had been allocated for that to purchase this vehicle. Al asked the Mayor what the Village was going to do with the Village car. The Blue Book value of that car is \$4,900. The funds obtained from auctioning the Village car and the money from an insurance claim on a wrecked vehicle belonging to the Police Department can go toward the purchase of the new vehicle. That would bring the money still owed down to \$29,000. The new vehicle would then become the Village car.

LeAnne Brasher explained part of the money allocated for the dog truck along with the sale of the Village car and the insurance money from the wrecked vehicle will be used to purchase the new vehicle.

Roll Call: Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair – yes

Item #20 on the Agenda: Discussion/Action – Approve Researching of Purchase and Development of Capitan Mountain Ranch Land

Trustee Shearer made a motion to Not Approve. Trustee Hair seconded the motion.

Discussion: Trustee Fraley asked what “researching of purchase” means. Al Cavazos said the Village received an inquiry from a company out of Colorado that has been going in and buying out cannabis establishments. Trustee Shearer pointed out it is like big tobacco. Big companies buying out small companies. They are looking for a distribution center. Steve Osborn has approval to build a water station and the Village is looking at a contract with a company buying bulk water. A facility needs to be set up to accommodate this. The Village recently purchased a property in the vicinity for what comes out to be \$120,000 an acre. Using those figures makes the Capitan Mountain Ranch Land worth \$34,000,000. Trustee Shearer and Trustee Kearns said that does not translate to large tracts of land. An attendee pointed out the discussion was not about approving a purchase but was about approving researching a purchase to see if it was feasible. Trustee Shearer then asked where the money would come from. Another attendee asked if the agenda item was to approve researching for the Village to purchase the property and was told yes. Trustee Shearer asked if the Village would develop the property. Mayor Lowrance said Rural Developments rewarded a grant to Socorro to develop a river walk. Trustee Shearer asked if the Village was purchasing 285 to develop housing. She was told no and then she asked if it was going to stay as open space. Again, she was told no. An attendee asked if it was going to be researched, would not part of that be researching how it best fit the community. This could be used as a park and a huge community center. Trustee Shearer said she cannot wrap her mind around the Village spending that amount of money to purchase the property. Another attendee asked if the purchase was to keep a pot farm out or to raise the price and sell it to the pot farm. Mayor Lowrance said Smokey Bear Days could be held on the property as well as other social events. Al Cavazos

Continued Item #20 on the Agenda: Discussion/Action – Approve Researching of Purchase and Development of Capitan Mountain Ranch Land

explained a small town in Texas opened a flea market and is making over \$1 million a year. Trustee Kearns said they have population centers to make that succeed.

Trustee Shearer withdrew her motion to Not Approve and Trustee Hair rescinded her second.

Trustee Fraley made a motion to Approve Research Only. Trustee Hair seconded the motion.

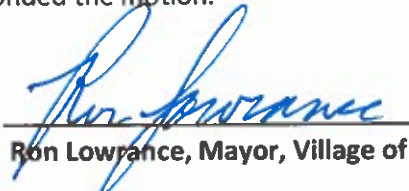
Roll Call: Trustee Shearer – no, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Hair – yes

ADJOURNMENT:

Trustee Fraley made a motion to Adjourn. Trustee Hair seconded the motion.

Roll Call: All were in favor, the motion carried.

Mayor Lowrance adjourned the meeting at 7:26 PM.



Ron Lowrance, Mayor, Village of Capitan

Attest:



Al Cavazos, Village Clerk

