

**Minutes  
Public / Regular Meeting  
May 9, 2023**

The Village of Capitan Board of Trustees met in Public Hearing on Tuesday, May 9, 2023 at the Village Hall in Capitan, New Mexico at 5:30 PM.

Mayor Lowrance Called the meeting to order at 5:30 PM

**Item #1 in the Public Hearing – The Village of Capitan is Amending Ordinance Chapter 219-9 – Water Rates. It will now state that, Water rates zero to 3,000 gallons’ usage (base rate), excluding New Mexico gross receipt taxes. Rather than, Water rates zero to 6,000 gallons’ usage (base rate), excluding New Mexico gross receipt taxes.**

Discussion: Ms. Becky Moncrief was concerned because the current base usage is 6000 gallons and is going to be cut in half to 3000 gallons? She just looked at her water bill and she averages between 4 and 5,000. gallons. So, will The Village be cutting the base rate in half as well? And her other question is, what is the price per gallon going to be over that limit? The Mayor Answered: There are so many people in the Village that do not use over 2,800. - 3,300 gallons. When it goes over the 6,000. It is \$1.08 per 1,000. gallons. The Board has been going over this for the past eight months, trying to figure out the best way to approach this situation. Brian Cleckler asked if that’s what the state was saying. The Mayor Stated that there are always a lot of things that you have to do and the water dept. has always been in the red, because we haven’t had the support of finance. So, in order to get in the Black or to qualify for Grants and Loans we have to raise water rates. What we did was, we put half of it on the water and half of it on the sewer and trying to get it to work that way. The cost of Materials has gone up. We haven’t been raising rates for the cost of living for the past three years like it has said to do in our ordinances, so that put us behind. Bruce McElhinny asked how many homes are vacant here in town and a lot of the homes around here are summer homes and are vacant during the winter. The rate study actually went off of the winter rates to best help with this. Steve Osborn Stated that the Previous rate was \$35.00 for 6,000 gallons and now it is \$39.00. This was not part of the explanation. There was just a typo in the last one that needed to be corrected. It was asked when will they start getting billed for the extra usage. Steve stated that it will be in June. Bruce asked, how many people use 3000. And how many people use 6000. Gallons. He was told that this was in the rate study. Steve answered, boarder-line that 50 to 60% of the people are below the 3000. Gallons. 80 % of the people use 6000. Or less. Tiffany Mennix stated that people need to know that the Board has been discussing this topic for about four or five months now, even longer. The Village is not getting money for Grants and Loans, because the of what the state requires our rates to be. The Mayor stated that, it’s not that we don’t charge enough, it’s that we don’t have the income to meet their criteria for a loan. We had gotten a \$570,000. Colonus Loan to change out all of the 1947 pipes out and then after that we started having trouble because the threshold was here and we were right undeath it, so we didn’t qualify for any more Colonus, and that is where we make a match of 10%. So, what we are trying to do, If something fails here. We had about 5 to 7 miles from the State that was defective. We are still trying to replace that a little at a time. But we don’t have the money to go out and spend 8 or 9 Million dollars to do it, so we have to go to the State to get it. We understand that it is a burden on all of you, but when you look at it, that is \$12.00 a year, which is a dollar a month. And if it goes up 2 dollars a month, that is 24 dollars a year for 5,000 gals. That is the

best that we can do with the surveys that we got and the experts telling us, this is what you need to do. We apologize to everyone that is on a tight budget. I am on a tight budget. Mr. McElhinny asked where does this put the Village with water rights. We have water rights and we are not losing any water rights. This doesn't have anything to do with water rights. This is the best option so we can get grants and loans to help fix and improve our community. We haven't raised rates in 3 years and by our ordinances, we were supposed to raise rates up by 3% every year and we haven't raised them up in 3 years. So that would have been 9% and we only raised them up by 6.5%. So, when we went out for funding, everyone was turning us down. Mr. McElhinney asked who sets that line? It's can be Federal or State. We can't take from Street to pay Water. We can't take from the General Fund to pay for Water. Water has to stand alone for their loans. The Board Members were really fighting hard to get the rates up, but at the same time looking at the minimum damage that it would do to everybody. The Man who did the Rate Study for us did it for free. He had us going up and it was going to be quite steep. They fought really hard to keep it from going up. Mrs. Minnix stated that the Board fought really hard to get it to where it is at. This is the best option that we could get it too, where we can qualify to get the loans and Grants that we can get to fix our community. And that is where we stand. Trustee Hair stated that we started working on this very early on, because we knew that we had deadlines coming up, and we wanted to make that decision. If we are unable to get these loans, what the potential is, is catastrophic failure. If that occurs then nobody has any water, and we did not want that to happen at all. We knew that we had to qualify for these loans, so the rate study was being done over a long period of time, so that we could work it and manage it the best for the Village. Becky Moncrief had a question. What are the rules or ordinances for using grey water from your washing machine to water your yard? The Mayor stated that there is no Ordinance against that. Trustee Hair stated that you have a wonderful water conservation Office that is here. There are programs that would assist people in conserving water. You would be amazed at how much water run off that there is off of just a house. Ms. Moncrief has 3, 100 gal tanks sitting around her house to collect rain water and right now they are all dry. Trustee hair stated that if you can prove that you are able to collect a certain amount of water. Then they can give you funding to help put in larger water catchment. Mr. McElhinney was just wondering how this was going to affect the commercial businesses and everything? The Mayor answered that it is going to affect everybody. It's going to affect the school, everyone that has businesses here Trustee Shearer asked, didn't we balance out? The commercial was defiantly higher, but didn't we balance that out? Al Cavazos stated that we took into consideration the type of operation that it has, whether it was commercial, residential, or agricultural and balanced it out that way. Brian Cleckler had a question about the new system for the online payment for the water bills? Because it is a nightmare for him. He has five different water accounts, He has to have five different user names and five different passwords. He came to the Village to get help. He has gotten zero help from the city. It started last October when all of the sudden He got a letter from The Village saying he hadn't paid his water bill for Oso, when it had been on automatic draft since we opened. Three of them came back and all of the sudden it wouldn't even take it. So, he went to talk to Charlene, I can't help you, here is a phone number, I can't look at anybody's stuff. Angela Asked if He was going through Munibilling or Doxo? Brian said that it is the one that is on the website. Trustee Kearns stated that this system didn't work for him as well. He ended up using his bank bill pay. He has four different accounts and they do a bill pay for each account and there is no charge like there is if you use a card. Brian stated that he doesn't have a problem paying his bill, He has a problem, with the way it is set up. I was told that it would be easy and user friendly, and the village won't help and it's not. The Mayor said that We will look into that and see if there is anything that we can do. Trustee Shearer said

and like the Electric Co. you only have one user name and password for all of your accounts. It's worth getting a program that is more user friendly. Angela stated in order to get a new program we would have to change out the meters and all of it, and that can be very expensive. Mr. McElhinney asked if we do any kind of sediment testing on our water and has the water table lowered that much since we are in a drought? The Mayor answered no to the water table question. Steve answered, we do monthly bacteriological testing. We are trying to get a new well on line I have \$3300. Dollars' worth of testing that we have to do. A lot of the Big tests we have to run every two to three years, some we have to do every so many months. Each test can have different cycles. There is a lot of testing. Once a year we have to update the report of all the testing. We have 3.1 million gallons worth of water storage. The Mayor stated, with that I will close the Public Hearing at 6:04 PM

The Village of Capitan Board of Trustees met in a Regular Trustee Meeting on Tuesday, May 9, 2023 at the Village Hall in Capitan, New Mexico at 6:05 PM.

Mayor Lowrance called the meeting to order at 6:05 PM.

**Roll Call:** Mayor Lowrance – present, Trustee Kearns – present, Trustee Shearer – present, Trustee Fraley – present, Trustee Hair – present. Al Cavazos – Village Clerk, Angela Autrey –Deputy Clerk, LeAnne Brasher – Finance Officer, Randy Spear – Chief of Police, Kevin Kennedy – Chief of Fire, & Steven Osbourn – Head of Water Dept. A list of others in attendance is attached.

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

Trustee Fraley made a motion to Approve the Agenda. Trustee Hair 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).**

Francis Traylor asked about the playground and the cost of it. Al Cavazos said that the total cost for the equipment was \$38,000. And the shipping was \$8,000. So, the total and some smaller equipment came out to \$49,000.00 and the equipment is 6-8 weeks out at the time of order. She also wanted to know more about the payroll and time system to be discussed? The Mayor stated that During that discussion that is on the Agenda, if we don't answer you questions at the time with the presentation, He will recognize you at that time for any questions, that way we are not jumping around on the agenda. She also asked that whenever we do our quarter Budget stuff, may she have a copy? The Mayor told her yes.

**Item #3 on the Agenda: Mayor and Trustee Comments**

Trustee Fraley- Concerns about Fentanyl and if the Village has Narcan to help battle it. It was explained to him yes; all village employees have been trained on how to use it and every employee of the police dept has been issued Narcan and trained on how to administer it. Chief Spear explained also that right now there is an additive being added to the Fentanyl and the Narcan doesn't even touch it.

Trustee Shearer- Questions on attendance of regional broad ban meetings and informed that there will be a webinar held tomorrow on rural broad band – need to look into getting fiber optics here in Capitan. There is a lot of funding available for this.

Trustee Kearns- No Comments

Trustee Hair- Smokey Bear Museum – Home Town Association would like to be included into the agenda at the next meeting to ask for help to publicize the need for volunteers and monetary support with grants and sponsorship lodgers' tax. They also need help with port-a-potties and road closures from the police dept. Ask if the Capitan Police Dept. could put on a bicycle safety class on May 3<sup>rd</sup>, 2024 and maybe generate income for the participants for helmets. Need support for a website so they can qualify for grants.

Mayor Lawrence- No Comments

**Item #4 on the Agenda: Discussion/Action – Approval of Minutes – Regular Trustee Meeting – April 11, 2023**

Motion for approval: Hair. Trustee Fraley seconded this motion

**Discussion:** There was no discussion on this Item

**Roll Call:** All in Favor, Motion carried

**Item #5 on the Agenda: Discussion /Action – Approval of May 2023 Bills Paid**

Motion for Approval: Trustee Fraley, Trustee Hair seconded the motion.

**Discussion:** No Discussion

**Roll Call:** All in Favor, Motion carried

**Item #6 on the Agenda: Discussion/Action – Presentation -Lincoln County Humane Society Funding Request for Capitan's FY 2024 Budget.**

Trustee Shearer made a motion to raise it \$25,000. Trustee Hair seconded this Motion.

**Discussion:** Chris Shows spoke about the report that was handed out to the Trustees. We are proposing an increase in funds. Our cost for the care of the animals in 22-23 was 391,860. To operate the shelter. A total of 1244. Animals came into the shelter in this time frame, from all entities of Lincoln County. This breaks down to \$315. Per animal for care. To date as of July 1, 2022-May 4, 2023= 76 animals taken to the shelter from Capitan. 2021-2022 there were 65 animals taken to the humane society from Capitan. Capitan is projected to take 90 animals for the 2023-2024 year. July 1, 2022 – May 4, 2023 the public brought in 11 animals and the ACO brought in 65 animals. Trustee Kearns said the we are appreciative of the work that you all do. But needed her to go over the numbers a little slower. He asked how they determine how an animal is from what region of the county. When they have someone from the public come in with an animal they are trained to ask, where exactly did you find this dog? That person will have to be very specific. So that animal has to have been picked up in the Village limits for us to receive credit for that animal and the Capitan ACO also brings in animals. The Village of Capitan has funded \$15,000. For FY 2022-23. And the prior year was the same amount, and Prior to that it was \$10,000. The Humane Society also provided for the municipalities chip readers for our AOC, so that the ACO could check the chip and be able to take them home rather than bring them to the Humane Society, in order to cut down on expenses. With the Village of Capitan's funding, it provided 52.9% of their cost of care, just for the animals that came from Capitan. The actual cost of care for those animals brought in in 2022-23 was 28,350. The remaining \$13,350. They had to go to donors, Their members and also to the retail shop. to off-set all of those cost. So, they are requesting a \$3,000. Increase for this year for the Village of Capitan. Trustee Hair asked with all of the Municipalities, what are their rates that they are paying? Ruidoso Downs pays the least amount of what it cost for us to care for their animals'. They haven't given them an increase in many, many years. They give us \$27,000. a year. The County gives

them \$27,000 a year, and The Village of Ruidoso currently gives them \$80,000. How much do they receive a year on their adoption fees? The adoption fees are currently \$75.00 for cats and \$85.00 for dogs. It cost approximately \$20.00 a day per animal for care. And an average stay for an animal is at 40 days. So, this year they are asking for \$18000. Trustee Shearer said that this is a public safety issue and if you guys weren't there we couldn't afford to start one of our own. The animals wouldn't get taken care of as well. Her recommendation is that we pay for the services being provided for us and up the budget to \$25,000. The Mayor stated that if we were to pay an employee minimum wage, we would pay them \$28,000. And then we would have to build a facility, so the way that I see it, they are giving us a break. Trustee Shearer stated that if we are only paying 50% of what we are using, then we are a drag on the entity and if that entity goes under, then we are back to where this county has been in the past, where they are trying to run small shelters, badly and it is a terrible situation. Trustee Hair agrees with Trustee Shearer. When you look at the Municipality that had a problem with 5 dogs, that actually killed an individual & it is a cost for all of us when accidents occur and then that raises the insurance rates. We need to be fair and bring it up to the \$25,000.

Trustee Shearer has looked at our budget numbers and is sure that we have the funding.

Trustee Shearer made a motion to increase our portion to \$25,000. Trustee Hair seconded this motion.

Discussion: Trustee Kearns if we are crunching numbers, if we are at 52.9% then what is 25 divided by 28? Where are we at now. The Mayor said about 89.2% Trustee Shearer said that she will make up the difference at the Thrift shop. The Humane Society did get some big donation. However, they were specified for a certain thing, they were not for operations. Trustee Kearns stated that He is going to vote no to the \$25,000. Not because he is totally against it, but because He doesn't have enough information to make that decision right now.

**Roll Call:** Trustee Shearer-yes, Trustee Hair-Yes, Trustee Kearns-No, Trustee Fraley-yes, Motion carried

**Item #7 on the Agenda: Discussion/Action – Approve Application for a 12 X 20 Portable Shed at 115 Lodestar Ln. – Jeffery and Diana Farmer**

Trustee Fraley made a motion to approve, Trustee Hair seconded the motion

**Discussion:** No Discussion

**Roll Call:** All in favor, Motion carried

**Item #8 on the Agenda: Discussion – Making Aware of Emergency Contract with State Approved CPA Firm, Carr, Riggs & Ingram for Audit Purposes**

We went out on the recommendations of the DFA to get a State Approved accounting firm. Trustee Shearer asked if this will be finishing the old audit and what happened to the old firm? Angela Stated that they were unable to communicate with Pam, because she was not getting what she needed and this firm can. They are communicating well with us and with Pam and this is for both audits. Pam will be able to get this audit done and then turn around and get the next audit done and then hopefully we will be on time for our 2022-23. Trustee Shearer asked if the new contract is what is in our packet. Angela stated that it is and that they dropped their price of what they normally charge in order to help us. So they are REALLY helping us.

**Item #9 on the Agenda: Discussion – Moving to a New Time and Payroll System for the Village.**

LeAnne stated that we keep running into problems with QuickBooks is not calculating the taxes correctly and Leanne is having to go back in and make the corrections after she figures out where they are being put. The reports are incorrect. Angela stated that we have contacted QuickBooks, we have tried to get it fixed. They are no help whatsoever. LeAnne stated the one gentleman that she spoke to let me refresh my screen and I will call you back, and they never called back. Trustee Shearer stated that this is why a lot of Municipalities don't use QuickBooks. The Mayor said that we were looking at three different entities to do our payroll. Al explained that we went to 3 and the one that we are choosing, categorically answered everyone of our questions. They had made the initial proposal, we had told them no, but they worked with us on the pricing and cut it almost in half and that they will profile this thing exactly to what you are needing. We also considered in LeAnne having to come back in and making all of these corrections. So, we will be saving in the long run. We won't be having to pay the payroll part of the subscription for QuickBooks. This will probably come up in the future, because QuickBooks is Not a good program. Trustee Shearer stated that, that's how we ended up with that bad program, FundView. Angela stated that they will set up an app for each employee where they can punch in their own time with certain parameters set as well. Trustee Shearer stated that the Legislature used it this year. It will be making the employee responsible. If there is any kind of awkward situation we will be alerted and it is not a contract that we are locked into. If we don't like it we can cancel it at any time. Trustee Shearer stated that she thinks that it sounds good.

**Item #10 on the Agenda: Discussion/Action – Approval for a Purchase of a 7 X 14 Dump Trailer for the Water Dept. (3 Quotes are included)**

Trustee Shearer made a motion to approve, Trustee Kearns seconded the motion.

**Discussion:** No Discussion

**Roll Call:** All in Favor, Motion carried

**Item #11 on the Agenda: Discussion / Action – Adopt Resolution No. 2023-16 2023 – Third Quarter FY Financial Budget for Year ending June 30, 2023**

Trustee Fraley made a motion to approve, Trustee Shearer seconded the motion.

**Discussion:** Trustee Shearer asked if in the fourth quarter are we going to adjust some of these things that are over 100%? LeAnne answered yes, but so far, they have been doing pretty good. Trustee Shearer said that our GRT's is doing good. We are running over budget on a few things, but nothing major. So, it looks like we are in decent shape. It looks good. Leanne agreed. Trustee Shearer asked, on the Small Cities assistance It looks like we got significantly more than we budgeted? It was budgeted at 234,000. And we got 331,000.? LeAnne answered yes. Also, most of the things that are running at 75%, we already made most of the major purchases, is that correct. LeAnne answered we do not have anything major left, because I have told them, that they cannot spend anything for the last quarter. And we haven't dipped at all in our unrestricted cash? LeAnne stated that We have not, but we haven't paid for the backhoes yet, but the Street backhoe is coming out of the American Rescue Fund. The Investments look good.

**Roll Call:** All in Favor, Motion carried

**Item #12 on the Agenda: Discussion/Action – Adopt Resolution No. 2023-17 – Continued Membership with Southeastern New Mexico Economic Development District Council of Governments/ COG**

Trustee Kearns made a motion to approve. Trustee Hair seconded the motion.

**Discussion:** Trustee Shearer asked, how much are we paying for this? The Mayor answered \$1000 a year. Trustee Shearer said that is a deal.

**Roll Call:** All in Favor, Motion carried

**Item #13 on the Agenda: Discussion/Action – Adopt Resolution No. 2023-18 Amending Ordinance No. 2023-1 Chapter 215-9**

Trustee Fraley made a motion to approve, Trustee Kearns seconded the motion.

**Discussion:** There was no discussion on the Item.

**Roll Call:** All in favor, Motion carried

**Item #14 on the Agenda: Discussion/Action – Adopt Resolution No. 2023-19 – May 2023 Investment Schedule**

Trustee Fraley made a motion to approve, Trustee Hair seconded the motion.

**Discussion:** 308 Investment to 500 Investment. These are the CD investments that were previously discussed. The interest rates are at a 4.35% We also moved one CD that was earning 1.6%, we moved the 308,000. into a money market for municipalities and it is earning 3% with no penalty if we need to get to it.

**Roll Call:** All in favor, Motion carried

**Item #15 on the Agenda: Discussion/Action – Schedule two Budget Workshops for FY-23 Interim and Final Budget No Later than May 25, 2023.**

Trustee Fraley made a motion to approve, Trustee Hair seconded the motion.

**Discussion:** First meeting to be held Thursday May 11, 2023 at 6PM via Zoom. Second meeting to be held May 17, 2023 at 6PM.

**Roll Call:** All in favor, motion carried

**Item #16 on the Agenda: Discussion/Action – Accepting Donation of the Smokey Bear Penny Machine to the Village of Capitan.**

Motion to amend and postpone till next meeting made by Trustee Kearns. Trustee Shearer seconded the motion.

**Discussion:** Trustee Shearer asked if Angela bought the Penny Machine yourself and donated back to the Village. Angela responded yes, and that I would like too. Trustee Shearer asked if the cost was \$5,000. Angela stated yes, but in order to get a penny machine with the Smokey Bear dyes is very expensive. Close to 17,000. The machine was jammed and not making any money for anyone. She was cleared of any wrongdoing by the DA's office, so took it upon myself to make an offer and get it, because I feel that the Penny Machine deserves to be over there. I am the one that does the agenda's so it may not make it on next month. Trustee Shearer is afraid that if we accept her donation, then we can't reimburse her.

**Roll Call:** All in Favor, Motion carried.

**ADJOURNMENT:**

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

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

Mayor Lowrance adjourned the meeting at 7:55 PM.

  
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Ron Lowrance, Mayor, Village of Capitán

**Attest:**

  
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Al Cavazos, Village Clerk

