

**Minutes  
Regular Meeting  
October 12<sup>th</sup>, 2021**

The Village of Capitan Board of Trustees met in a Regular Meeting on Tuesday, October 12<sup>th</sup>, 2021 at the Village Hall in Capitan, New Mexico at 6:00 PM.

Mayor Lowrance asked for a moment of silence and led the assembly in the Pledge of Allegiance.

Mayor Lowrance called the meeting to order at 6:01 PM.

**Roll Call:** Mayor Lowrance – present, Trustee Shearer – present, Trustee Kearns – present, Trustee Fraley – not present, Trustee Johnson – not present. Stephanie Bason – Village Clerk, Grace Centrella – Finance Officer, J. Leinneweber – Administrative Assistant, Steve Osborn – Water Utilities Supervisor, Johnathan Lamay – Street Supervisor, LeAnne Brasher – Clerks’ Assistant, Nateal Sammy – Smokey Bear Museum & Gift Shop and Kevin Kennedy – Fire Chief 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 Kearns seconded the motion. All were in favor, motion carried.

**Item #2 on the Agenda: Public Input. (Agenda Items Only).**

The Mayor introduced Pam Beckman and asked her say something about her organization and what she’s here for. Pam introduced herself as the attorney for COPE, an organization that represents victims of domestic violence. She said as the attorney she represents the victims in court, obtaining restraining orders, handling divorces and custody matters. COPE provides other services, counseling services for both victims and offenders. She introduced her Executive Director Designate, Gary Freedman who was also in attendance at the meeting. October is Domestic Violence Awareness Month and they are asking the Village to recognize this.

The Mayor recognized Gary Freedman who introduced himself, the Designee Executive Director of COPE. He is pleased to be here and “looking forward to having a presence in this town and being of any assistance that we can be at any time. It’s nice to meet you all and I hope to see you all.”

The Mayor wanted to go on record that this is the first time he has met Pam Beckman and Gary Freedman, which they confirmed.

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

Trustee Kearns announced to the public that the Planning Board has made “two important steps at their last meeting and I wanted to congratulate them on that.” He went on to say that the Planning Board is trying to streamline the process for storage buildings, make it less expensive and make the approval process quicker for property owners by making “some adjustments to their system”.

**Item #3 on the Agenda: Mayor and Trustee Comments. (Continued)**

Trustee Kearns said one change was for the Code Enforcement Officer to have “more responsibility in that whole process” and he thought that was a “good move.” The checklist was revised for the Code Enforcement Officer to use while on site. He also advised the public that there was an issue with the timing of the Planning Board Meetings in relation to the Board of Trustees meetings causing an unnecessary delay in issuing the Permits so the Planning Board has agreed to move the day of their meetings. He just wanted to show his appreciation to the Planning Board for “being on top of all this and serving the public well.”

Trustee Shearer had a question, she thought there needed to be an Ordinance Change for Code Enforcement to take over those duties. The Mayor said there is no Ordinance covering this, “that’s just the way it was always done.” The Mayor said the Planning Board approved the new process for the Board of Trustees to vote on and asked if it will be on next month’s Agenda.

J. advised the Board that in their Ordinance Workshop they had asked the Planning Board to adopt a new application and process which would include the Code Enforcement Officer reviewing and comparing a non- professionally prepared site plan, provided by the property owner, to what the County shows which the Code Enforcement Officer has access to online. The site plan must show all the required items on the check list. The Planning Board had not made any changes to the existing check list. The Planning Board had reviewed and adopted the new procedure and application process for the Planning Board to use moving forward and there was nothing in the Planning Board Meeting Minutes that said it was recommended for approval to the Board of Trustees. In the past when the Planning Board made changes to the application process for their review and approval for recommendation of a Permit it wasn’t brought before the Board of Trustees as long as it was consistent with the Ordinance, which this is.

Trustee Shearer confirmed that this “was just a policy change by the Planning Commission?” Both the Mayor and J. agreed. Trustee Shearer feels this is not sufficient. She went on to say that she appreciates that the Planning Board has done this and that she is “a little surprised that the Village has been “putting everybody through this storage building thing if it wasn’t even in the Ordinance.” Trustee Shearer said going forward the Village should have written policies, something in the Ordinance. The Mayor agreed. Trustee Shearer thought the Ordinance said a Professionally Prepared Site Plan was required but was told that there was nothing in the Ordinance requiring a Professionally Prepared Site Plan. In that case Trustee Shearer wants a written Policy that an applicant will receive when “they come in the door and that it’s not a moving target.” J. advised the Trustees that the Planning Board also noted in their meeting that there is nothing in the Ordinance that states a Building or Addition of over 100 square feet requires a Permit. The Ordinance just says a Building Permit is required with no mention of square footage yet, this is what the Village has been requiring. The State only requires permits for Portable Buildings if they are over 200 square feet. The Planning Board thought that this should also be addressed in the Ordinance.

Trustee Shearer asked if there was something that would be reviewed and approved by the Trustees at their next meeting. J. informed the Board there were no plans for that at this time. Trustee Shearer said the Planning Board has no authority on their own to make a policy change, only recommendations and she wants written procedures on the new process and application for the the Board of Trustees to review and approved at their next meeting.

Trustee Shearer wants to avoid a situation where “six months down the line, oh we have a new process, we forgot to tell you.”

**Item #3 on the Agenda: Mayor and Trustee Comments. (Continued)**

Trustee Shearer asked that a draft of the change to the Ordinance regarding the requirement of a Professionally Prepared Site Plan be drawn up and provided to the Board at their next meeting. Trustee Shearer was advised that there is nothing in the Ordinance requiring a site plan of any kind.

Stephanie read aloud Chapter 90 - Article II, 90-6 through 90-8 of the Village's Ordinance to the Board, (a copy has been attached to these minutes).

Trustee Shearer then asked for a written Policy stating how the Village is now handling Permits for Portable Buildings or Changes to Existing Decks/Porches over 100 Square Feet so it's clear and there would be no confusion in the future. It was agreed this would be done and the document along with the new application would be presented to the Board at its next meeting for review and approval. Trustee Shearer wanted to be clear that she is happy that the Policy Change has been made.

Trustee Kearns thanked J. "for the clarification" and thanked Trustee Shearer "for the points she was making."

The Mayor made a Declaration that The Village of Capitan Recognizes this month of October, **Domestic Violence Awareness Month**. In November's Trustee Meeting A Resolution will be before the Board for adoption declaring every October going forward as Domestic Violence Awareness Month.

**Item #4 on the Agenda: Consent Agenda:**

- a. Approval of the Minutes: Regular Meeting – September 14<sup>th</sup>, 2021
- b. Approval of the Minutes: Ordinance Workshop – September 21<sup>st</sup>, 2021

Trustee Shearer moved to Approve the Consent Agenda. Trustee Kearns seconded the motion.

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

**Item #5 on the Agenda: Discussion/Action – Approval of Bills Paid for September 2021.**

Trustee Shearer made a motion to Approve the Bills Paid for September 2021. Trustee Kearns seconded the motion.

**Discussion:** The Mayor asked the Trustees if they received the report for the Water Department? He advised the Board that moving forward they would receive a report for each department/fund, hoping it can be scanned to the Trustees to save paper.

**Roll Call:** Trustee Shearer – yes, Trustee Kearns – yes

**Item #6 on the Agenda: Discussion – Review Invoice from the IRS in amount of \$206,301.40.**

**Discussion:** The Mayor opened Discussion on the "IRS deal."

Trustee Shearer asked the Mayor to "tell everybody what the IRS deal is."

The Mayor said in 2016 the Village failed to pay the payroll taxes of approximately \$60,800 to the IRS and have been accruing penalties and interest. In May of 2020 the Village contacted the IRS and faxed all the correspondence and W2s. The Mayor said Grace called last week "the lady in Albuquerque that we're getting a hold of but they're hard to get a hold of. They are going to try to waive all the interest and penalties." He said it could go back to \$60,000 that the Village does owe them, "it's common knowledge." Right now, the Village owes \$206,000, he wanted to make the Board and the people who showed up...

Trustee Kearns confirmed with the Mayor that the taxes were owed for 2016. Trustee Kearns wanted to be sure all in attendance were aware of the total change of staff, of the Board and of the Mayor since then.

**Item #6 on the Agenda: Discussion – Review Invoice from the IRS in amount of \$206,301.40.**

**(Continued)**

Trustee Kearns went on to say “This is something we have inherited and I think it’s important that you’re aware of that.” Trustee Kearns said he knows that He and the Mayor, and when the Mayor was serving as a Trustee have been working to resolve this since 2019. He was happy to see that some progress has been made and wanted to say “Thank you.”

Trustee Shearer said the notice in front of the Board is dated 09/20/2021, she wanted to know when was the last time someone talked to the IRS and what assurances did they have that the IRS would bring the amount owed back down to \$60,000? The Mayor said they have not received any assurances and that’s what they’re working on. When the IRS was contacted in May of 2020, paper work was sent in August of 2020 and verified this with Grace.

Grace said when she started working at the Village, she found the IRS Invoice in a drawer, then happened to receive a call from an IRS Officer and Auditor in Albuquerque regarding the Invoice. The IRS Officer said she had been talking to Scott. Grace asked the IRS Officer what she needed to do. Grace informed the Board that this happened May 2021 and that she and Angela sent a stack of paperwork to the IRS Officer. Several months went by and Grace started calling, trying to reach the IRS Officer. After many, many attempts the IRS Officer finally got in touch with Grace and said she needed W2s & W3s. The IRS Officer said she would discuss this with her boss and try to obtain forgiveness for the penalties and interest for the Village. Grace said she’s going to contact the IRS Officer next week, this week she needs to finish the Quarterly Budget and that next week will have been a month since she spoke with the IRS Officer. She will contact her and get the status of the situation.

Trustee Shearer said she doesn’t want the Village to spend another year talking to the IRS.

The Mayor said the Village was advised that since the Village started to talk to the IRS about the taxes due and is trying to work with them, the penalties and interest would stop accruing. The Mayor advised the Board that he talked to Scott about the Invoice in October of 2020 and Scott had offered to help with it, but Scott informed the Mayor that he was not a Tax Lawyer. The Mayor said at one time the balance due was zero and then there was a bill for \$186,000 and more invoices with the balance due amount rising.

Trustee Shearer asked if the Village needs to hire a Tax Lawyer because this is a tax bill due of \$206,000. The Mayor said from “October thru December of 2016.”

Stephanie asked if anyone has pulled what the Village shows it paid during that time?

Trustee Shearer said the Village has paid “a lot of payments to the IRS that did not clear for a long time.” Stephanie thinks she has “seen where there are payments made” and she’s not convinced that the IRS is accurate in their records.

Trustee Shearer said she is concerned, that the Village needs to hire a tax professional to get this resolved “and not be amateur-ing along,” pay a couple thousand dollars versus \$200,000.

Trustee Kearns agreed and asked Grace if there was a date set that the IRS Officer was going to get back to Grace? Grace said no, she will start trying to get a hold of the IRS Officer tomorrow.

Trustee Shearer is concerned that the staff doesn’t have time to follow up and clear this up, Grace has the Budget she needs to get done, there is a Budget Workshop coming up.

The Mayor said he has called the IRS Officer and he hasn’t received any calls back from her. He doesn’t know how to expedite the issue with the IRS. The Mayor said if Trustee Shearer wanted to “take the reins on this then go ahead.”

Trustee Shearer said if the Village needs to hire someone to take care of this...



**Item #6 on the Agenda: Discussion – Review Invoice from the IRS in amount of \$206,301.40.**

**(Continued)**

The Mayor advised the Board that the Village needs to find out where it stands. Tai, Scott and Grace have all called the IRS and he “can’t just go out and hire somebody” and that’s why he’s brought it before the Board for discussion. The Board can have it on the November Agenda but he didn’t want Trustee Shearer to say he wasn’t doing anything about this issue and if they want it on the November Agenda it will be on there. Trustee Shearer denied saying that the Mayor was doing nothing about the IRS tax bill. The Mayor disagreed.

The Mayor told the Board he will put the Hiring of a Tax Lawyer on the Agenda but the Board has to agree to “vote on it and get it done, if you want to Hire a Tax Lawyer.”

Trustee Shearer said to “put it on the Agenda next month,” she wants “an update next month and if we don’t have it resolved I want to hire a Tax Lawyer.”

**Item#7 on the Agenda: Discussion – Schedule a Budget Workshop for the Village of Capitán Board of Trustees.**

**Discussion:** The Mayor opened up Schedule a Budget Workshop for the Village of Capitán Board of Trustees for discussion.

Trustee Shearer asked when could Grace do the Budget Workshop? She asked Grace if she was ready with the Budget Adjustment Resolutions (BARs)? Grace said to just give her a date, she’ll be ready. The Mayor asked Grace if within the next two weeks would give her enough time? Grace said that will work. Trustee Shearer asked if Grace could be ready by the 26<sup>th</sup>? Grace replied that she could.

The Board agreed to hold the Budget Workshop on Tuesday, October 26<sup>th</sup>, 2021 at 6:PM

**Item #8 on the Agenda: Discussion/Action – Purchase a New Xerox Copy/Scan/Fax Machine at a Monthly Cost of \$303.12.**

The Mayor asked Grace to address the Trustees regarding issues the Village has been having with the current copy machine.

Grace told the Board that Charlene had called for service on the copy machine and it took 3 months for the company to send out a tech to service the machine. Grace feels this is “unacceptable” and that during that time the machine kept malfunctioning causing wasted paper and delays, impacting productivity.

Trustee Kearns asked where the company was operating out of and Grace informed him it was out of Las Cruces.

Grace said she was transferred to a Manager who was rude and unhelpful. Xerox called her the following week, “out of the blue”. Grace discussed the issues she was having with PTS and Xerox gave her a quote. She said the quote in front of the Board now is an updated quoted from Xerox. Grace gave the Board the figures that PTS is currently charging the Village and Xerox comes in under that.

Trustee Kearns asked if this was a “Lease Plus Copy” which Grace confirmed.

Grace informed the Board that PTS will charge \$3,976 to remove the copier but Xerox is willing to cover the cost. The Xerox not only copies, but will fax and scan as well.

Trustee Kearns clarified that there is \$4,000 left of the Lease with PTS and that Xerox is willing to cover that, Grace said yes.

The Lease with Xerox is a 60 Months Lease at \$323.12 per month. PTS charges \$378.00 per month

**Item #8 on the Agenda: Discussion/Action – Purchase a New Xerox Copy/Scan/Fax Machine at a Monthly Cost of \$303.12. (Continued)**

Grace said she was told by Xerox that if the machine breaks down the tech will be here within 4 hours to a day but not months.

Trustee Shearer made a motion to Approve the Purchase a New Xerox Copy/Scan/Fax Machine from Xerox. Trustee Kearns seconded the motion.

**Discussion:** There was no further discussion of this item.

**Roll Call:** Trustee Shearer – yes, Trustee Kearns – yes,

**Item #9 on the Agenda: Discussion/Action – Review Quotes & Approve Purchase of a Backhoe for the Water Department.**

Trustee Shearer said she needed more information on this item and asked if this item was budgeted for? Steve Osborn said when he started, 2 years ago, David Cox had been setting aside \$25,000 a year for the purchase of a backhoe for the Water Department and Steve's understanding is that David "had 2 years if not 3 years in that the funds were set aside." Steve said he wanted that continued so there would be enough funds to cover the purchase.

Steve said he got price quotes last year and they were \$20,000 less than the what the price lists are showing as of June 30<sup>th</sup>-July 1<sup>st</sup>. Steve considered not bringing the purchase before the board due to the pricing increases. Steve said he doesn't know how many years have actually been set aside. His estimate is about \$100,000 plus the Cemetery Budget and the Sewer Budget since the backhoe is used for both. He decided to go ahead with the proposal and see what direction the Board wanted to take.

Trustee Kearns asked if the Village owned any of accessories requested on the proposed purchase and could those be used on the new backhoe? Steve replied that accessories can be interchanged with other equipment but the Village doesn't own any of the requested accessories on the proposed purchase.

Trustee Kearns asked if the current backhoe is functioning now? Steve advised the Board that it is but it's 20 years old and parts are needing to be replaced. He said the Village "just spent \$3,000 on a cylinder that went out and there is a lot of sun damage to the hydraulic hoses and asked the Board to keep in mind that the Village can expect to start spending more money on replacing old parts on the backhoe as they fail. Steve said he realizes it's a lot of money but a backhoe "could cost \$180,000 next year." Steve said he also checked on a Lease option but didn't bring those quotes before the Board because the option just wasn't cost effective for the Village.

Trustee Kearns feels in would be "prudent" the get the IRS issued resolved before taking on a "liability like that."

Trustee Shearer pointed out that it involves different funds. What she thinks the Board needs, since reviewing the Audit, it doesn't look like the funds set aside for the backhoe purchase were allocated correctly in the Budget and had been co-mingled with the General Fund a couple of years ago. Trustee Shearer said the funds are set aside in the Audit but are not segregated out in the Budget. She thinks the Board needs to get through their Budget Workshop and "get those 2 funds segregated back out so the Board knows what they have in the Water Funds, right now the Budget shows Water is operating at a loss.

Trustee Kearns suggested they wait until the Water Budget is "squared away" before making "that sort of commitment."

**Item #9 on the Agenda: Discussion/Action – Review Quotes & Approve Purchase of a Backhoe for the Water Department. (Continued)**

Trustee Kearns made a motion to Postpone Approval of the Purchase of a Back-Hoe for the Water Department until after the Budget Workshop. Trustee Shearer seconded the motion.

**Discussion:** There was no further discussion of this item.

**Roll Call:** Trustee Shearer – yes, Trustee Kearns – yes

**Item #10 on the Agenda: Discussion – Presentation by Paul Durham – Update on the Train Depot.**

**Discussion:** The Mayor invited Paul Durham to address the Board with his update on the Train Depot. Mr. Durham advised the Board that the Train Depot had received 2 grants one in 2014 and one in 2019. The one in 2014 was for \$80,000 to redo and renovate the Depot, “the problem was we didn’t own it.” They took ownership 2018. Mr. Durham told the Board “it’s a complicated process,... we have to spend the money first and the Village applies for reimbursement.” He acknowledges that Stephanie has been working “diligently to get us to this point.”

Mr. Durham explained the challenges he had with the reimbursement process of being paid by the Grant and with contractors who expect to be paid upfront so they can make payroll for their employees working on the Train Depot.

Mr. Durham said he was surprised by the amount of “other materials” needed for the renovation, insulation, sheetrock, tongue and groove paneling. The insulation is all there, the tongue and groove paneling is all there, “it hasn’t been put up yet.” Mr. Durham asked if there were any questions?

Trustee Shearer said she had been over to look at the Depot while the Village “guys were over there.” The Parks and Rec guys. Mr. Durham said they did some caulking on the outside.

Trustee Shearer asked how far is the Depot from being finished and what’s next? She asked if there were funds to finish installing the material stored inside the building. Mr. Durham didn’t think there were. He said out of the \$20,000 left from the 2019 appropriation from Capital Outlay, \$8,000 plus is owed to the electricians.

Trustee Shearer was concerned that the material sitting in the building would be damaged if not installed soon and asked if the Village should supply some of its labor to complete this. Mr. Durham informed the Board that the material is safely stored but he is concerned there is not enough money left for the labor needed to install the stored material.

Trustee Shearer confirmed a Hubbard Grant was applied for. Mr. Durham said yes for \$10,000 and he thanked Trustees Shearer and Kearns for their letters. The application was able to be completed in 3 days and met the deadline.

Trustee Shearer asked how to keep it moving, should additional Capital Outlay be applied for. Mr. Durham said of the \$20,000 from 2019, \$12,000 remains. Mr. Durham advised the Board that they do intend to apply for additional Capital Outlay funds. He advised the Board that cost of supplies and material have gone up.

Stephanie said several months ago there was a discussion regarding what parts still need to be addressed, especially the exterior of the Train Depot with the vandalism that was done to it. As it looks now the Depot is a “mischief magnet”. The deductible the Village has to pay on replacing the windows, Stephanie said they discussed internally having the Parks & Rec guys, “when they have the opportunity”, assist with “some of the outside portions” and that could go to “in kind” payments which is beneficial when “requesting that Outlay because they see the investment” the Village has made to the project.

**Item #10 on the Agenda: Discussion – Presentation by Paul Durham – Update on the Train Depot.**  
**(Continued)**

Stephanie explained this was the reason the Parks & Rec guys were recently helping with the Train Depot exterior.

Trustee Shearer asked if there is an issue with the Parks & Rec guys helping in this way? The Mayor said "I just don't want to get involved in anti-donation if we were paying them for Village stuff and they're working on his place."

Trustee Shearer asked "But don't we own the Depot?" The Mayor replied "We own the Depot but it's something that Me and Cook with have to work out because he doesn't know."

Trustee Shearer asked Mr. Durham if they were leasing the Depot? Mr. Durham responded that there is a Lease Agreement which they are turning in "in kind" for time for the Lease.

Trustee Shearer said she doesn't see how it's a donation issue if the Village owns the property. The Mayor responded that Mr. Durham is getting grant money and Capital Outlay to do the project.

Trustee Shearer feels it's okay for the Village to put "in kind" in the project as it has done on several other of its projects. Trustee Shearer said it should be run by the Village's attorney but she doesn't see a problem.

Mr. Durham said he doesn't think they'll need much more for the costs of materials.

Trustee Kearns asked for clarification on how the ongoing operation will be budgeted. Mr. Durham said they could do it from the building, using the front waiting room as a store, the sales of which will support the Museum. Mr. Durham said in the beginning they plan to open on the weekends and go from there, expanding their volunteers to run it and hope to be open for several hours daily.

Trustee Shearer asked if once the Museum is operational the Village wouldn't have any monthly costs for the building? Mr. Durham said they hope not, they "are going to work to see that that happens."

**Item #11 on the Agenda: Discussion/Action – Review Smokey Bear Enterprises (SBE) Quarterly Financial Report and Approve Opening an On-Line Store for the Smokey Bear Museum & Gift Shop.**

Trustee Shearer made a motion to Discuss Review Smokey Bear Enterprises (SBE) Quarterly Financial Report and Approve Opening an On-Line Store for the Smokey Bear Museum & Gift Shop. Trustee Kearns seconded the motion.

**Discussion:** The Mayor invited Peggy Wilson to discuss a grant for the Museum & Gift Shop. Ms. Wilson said she took a nationwide poll of whether Smokey Bear was real or a cartoon. Out of 97 responses 54 said he was developed by Disney. Outside the State of New Mexico, he is not well known as being a real bear. T-Mobile is interested in a \$50,000 grant for the store. T-Mobile will put in what ever is needed to get it online, help develop the website, the nuts & bolts of going online. The application is due November 1<sup>st</sup> and she'll be needing financial information from the staff to accomplish this. This grant can be "re-done" every quarter. She has identified 6 projects, the theater and ballet group in Ruidoso have lost their club house and "would love for something to be developed here in Capitan that they could use and rent" to have sales and put on plays. So, Ms. Wilson looked at a grant for a portable stage, sound and lighting system. Also expanding the amphitheater in the gardens behind the Museum. Thirdly is the unused greenhouse behind the Museum which has been given to the Village to use and a grant has been identified that will work to get the greenhouse up and running as a seedling project to reforest after fires and to grow produce and plants to sell, donating part of the proceeds to "the Senior Citizens." The Senior Center delivers 28 lunches every day. All of these things get attention when applying for grants.



**Item #11 on the Agenda: Discussion/Action – Review Smokey Bear Enterprises (SBE) Quarterly Financial Report and Approve Opening an On-Line Store for the Smokey Bear Museum & Gift Shop. (Continued)**

The Mayor advised the Board that the online set up would ship from a distribution center and not impact the current staff.

Ms. Wilson said through Shopify this arrangement would cost \$75. per month plus a charge for number of items shipped. She checked with Amazon but they are too difficult to work with. The physical store attached to the Museum will still exist. If she can show that 2% to 5% of the profits go back to feeding the needy, education programs, like using the greenhouse to educate the “kids from the schools, the scouts, FFA.” Ms. Wilson explained this will encourage other grants. She said she is also looking into buying the lot next to the Museum to use as a community garden modeled on what they do in Great Britton. Members of the community would have their own plots with some of the produce given back to the community.

Later Ms. Wilson explained who Flat Amy & Stanley are. They are paper dolls which Students can take with them or have others take for them to iconic destinations all over the world and take photos of Stanley and Amy at these locations. She would like to introduce a Flat Smokey campaign. She already has contacts in DC willing to take photos of Flat Smokey in different locations of the Capitol Building. Ms. Wilson says Flat Smokey will become a national movement that goes international which will contribute to marketing and sales.

Trustee Shearer thanked LeAnne for the Quarterly Report and said it was needed desperately. Trustee Shearer pointed out that the Museum & Gift Shop is \$7,000 in the red.

Trustee Shearer made the observation that if things continue in the way SBE will remain in the red.

LeAnne said that is correct and that she tried to make the report as self-explanatory as possible. She pointed to August, a back order from April in the amount of \$2,749.76 that didn’t show up until August when the merchandise was received and which contributed to the costs this quarter. Also, Worker’s Comp and General Liability Premiums were paid out in the 1<sup>st</sup> Quarter but these are annual expenses and won’t be due again until the 1<sup>st</sup> Quarter of the 2022-2023 Budget.

LeAnne went on to explain the 2<sup>nd</sup> page of the Report. What taxes were collected and of that what was sent to the State. Also, what remains in inventory, the retail value, the Village’s cost and the potential gross profit of the remaining inventory.

Trustee Kearns made a motion to Move Forward with Opening an Online Store for the Smokey Bear Museum & Gift Shop. Trustee Shearer seconded the motion.

**Roll Call:** Trustee Shearer – yes, Trustee Kearns – yes

**Item #12 on the Agenda: Discussion/Action – Approval of Hiring Peggy Mason as a Part-Time Sales Clerk for the Smokey Bear Museum & Gift Shop.**

Trustee Shearer made a motion to Approve the of Hiring Peggy Mason as a Part-Time Sales Clerk for the Smokey Bear Museum & Gift Shop. Trustee Kearns seconded the motion.

**Discussion:** There was no discussion of this item

**Roll Call:** Trustee Shearer – yes, Trustee Kearns – yes

**Item # 13 on the Agenda: Discussion/Action – Review Quotes & Approve a Firm to Complete a Water Assessment for the Village of Capitan.**

Trustee Shearer made a motion to discuss the Approval of a Firm to Complete a Water Assessment for the Village of Capitan. Trustee Kearns seconded the motion.

**Discussion:** Steve Osborn said they received quotes formatted in a way that made them easier to compare. He said the Water Board wanted more information on Task 2, Return Flow Credits. Glorietta Geoscience thinks the Village could get partial Return Flow Credits. Balleau said what they have seen is unless the Village dumps back to the same river basin that you pull the water out of you may or may not get the flow credits. Steve says he thinks he can find out from the State Engineer how willing they are to move forward with that but it's hard to say. Task 1 would determine how the Village's water rights are tied to Government Springs. It shows there are 4 months that the Village can not pump water from Government Springs. In 4 years, the records Steve received from the BLM said there were 9 days during those months that the Village could pump from Government Springs. Steve said there are 180.11-acre feet worth of adjudicated water rights from Government Springs that Steve uses during those 4 months. Steve wants to be sure that the rights are "labeled" and that requires expert help which either of these companies can provide. Steve would like to at least move forward with Task 1, he feels this at a minimum is necessary. Task 3 is important for extra territorial zone, but that's something the community needs to decide. One possibility is as long as it's in the same section, township and range that the Village currently has water rights in since the moratorium was lifted, it is Steve's understanding that the Village can add those at the end of the dead-end roads. He hasn't heard back from the State Engineer on part of that, the Village "may need to list each and every one of them." If the Village sets up an extra-territorial zone it can be "minimal, to include the last of those dead-end zones" or if the Board chooses, to go as far as they choose. It is subject to protest from other entities if they feel the Village is encroaching on their territory. Task 4, after looking at those things determines the Village's Water Capacity.

Trustee Shearer said she'd like to move forward with the Government Springs portion. Since this is not budgeted she thinks the Village will need a Budget Adjustment Resolution to accomplish the Assessment.

Trustee Shearer made a motion to take up Approving a Firm to Complete a Water Assessment for the Village of Capitan and a Budget Adjustment at the Budget Workshop and then have both the Hiring a Firm to Complete a Water Assessment and the Budget Adjustment Resolution on the Agenda for the November Board of Trustees Regular Meeting. Trustee Kearns asked for the names of the of the two firms Steve told him they were Glorietta Geoscience and Balleau. Trustee Kearns seconded the motion.

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

**Item #14 on the Agenda: Discussion/Possible Action – Village Clerk/Project Manager Position(s).**

The Mayor said that the Board had already agreed to wait on the Village Clerk position until after the election in November. Trustee Shearer made a motion to make Kevin Kennedy the Full Time Project Manager for the Village of Capitan in November. Trustee Kearns seconded the motion.

**Roll Call:** Trustee Shearer – yes, Trustee Kearns – yes

**Discussion:** The Mayor advised the Board that Kevin is requesting an hourly rate of \$20. this is \$2 more than what he is getting part-time. Trustee Shearer said this will take a Budget Adjustment Resolution.

**Item #14 on the Agenda: Discussion/Possible Action – Village Clerk/Project Manager Position(s).  
(Continued)**

Trustee Kearns made a motion to increase Kevin Kennedy's hourly rate to \$20. Trustee Shearer said she wants to get through the Budget Workshop before she seconds and approves this motion. The motion was not seconded.

**Roll Call:** None

**Item # 15 on the Agenda: Discussion/Action – Approve the Village of Capitan to act as Fiscal Agent for Healing America's Heroes for Fiscal Agent Agreement Between the Village of Capitan & Healing America's Heroes.**

Trustee Shearer made a motion to Approve the Village of Capitan to act as Fiscal Agent for Healing America's Heroes for Fiscal Agent Agreement Between the Village of Capitan & Healing America's Heroes. Trustee Kearns seconded the motion.

**Discussion:** There was no discussion on this item.

**Roll Call:** Trustee Shearer – yes, Trustee Kearns – yes

**Item # 16 on the Agenda: Discussion/Action – Approve the Mayor's Appointment of Peggy Wilson to the Village of Capitan Planning Advisory Board.**

Trustee Shearer made a motion to Approve the Mayor's Appointment of Peggy Wilson to the Village of Capitan Planning Advisory Board. Trustee Kearns seconded the motion.

**Discussion:** There was no discussion on this item.

**Roll Call:** Trustee Shearer – yes, Trustee Kearns – yes

**Item #17 on the Agenda: Discussion/Action – Approve Summary Review Replat/Lot Line Adjustment for 150 Randal Road – Bobby Johnson, DBA Capitan Station LLC.**

Trustee Shearer made a motion to Approve the Summary Review Replat/Lot Line Adjustment for 150 Randal Road – Bobby Johnson, DBA Capitan Station LLC. Trustee Kearns seconded the motion.

**Discussion:** There was no discussion on this item.

**Roll Call:** Trustee Shearer – yes, Trustee Kearns – yes, Trustee Fraley – yes, Trustee Johnson - yes

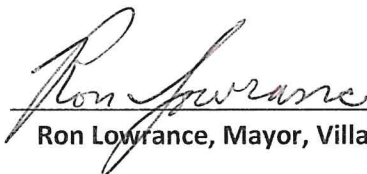
**CORRESPONDENCE:**

**ADJOURNMENT:**


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

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

Mayor Lowrance Adjourned the meeting at 7:24 PM

  
\_\_\_\_\_  
Ron Lowrance, Mayor, Village of Capitan

**Attest:**

  
\_\_\_\_\_  
~~Stephanie Bason, Village Clerk~~  
Grace Centrella, Deputy Village Clerk

6:00 PM

[illegible]