

CITY COUNCIL WORKSHOP

April 13, 2017

1:30 p.m.

Mayor Jerah Cordova called the Workshop to order at 1:30 p.m. Roll Call taken by Leona Vigil, City Manager.

PRESENT: Councilor David Carter
Mayor Pro-Tem Frank Ortega
Mayor Jerah Cordova
Councilor Wayne Gallegos

ABSENT: Councilor Darleen Aragon

CITY MANAGER: Leona Vigil

CITY CLERK:

REPORTER: Clara Garcia, VC News Bulletin

OTHERS: See attached Sign-in Sheet

PLEDGE OF ALLEGIANCE

Mayor Cordova led the Pledge of Allegiance.

APPROVAL OF AGENDA

Mayor Cordova asked for a motion to approve the agenda. Councilor Carter made a motion to approve the agenda. Mayor Cordova asked for a second. Councilor Gallegos seconded the motion.

Roll Call Vote:

Councilor Frank Ortega	Yes	
Councilor Wayne Gallegos	Yes	
Councilor David Carter	Yes	Motion Carried

DISCUSSION

PAYROLL STUDY VERSUS INCENTIVE PLAN - *Lorenzo Carrillo*

Leona introduced the Incentive Plan that was adopted into resolution in 2009. There is also a Salary Study that was adopted January 8, 2015.

Lorenzo stated that the current pay and salary schedule is becoming an issue for the City of Belen because of presumed direction taken with the initial placement of employees within the city and the pay scale. He stated it came to light that Human Resources had been awarding grade level promotions based on certification levels. That was a perceived direction and not an agreed upon direction for the current plan. Lorenzo stated he has been directed to correct some of the errors but he does not feel there is true direction from the Mayor, the Council, the City Manager, Finance or HR (Human Resources). Lorenzo presented an outline.

Discussion #1 was to clarify the presumed direction taken by the Office of Human Resources pertaining to the Grade and Salary Schedule adopted December 21, 2015 versus the Incentive Pay Plan which has not been rescinded. Lorenzo stated he wanted to ensure that the Mayor, Governing Body, City Manager, Finance Director and HR Manager were all well versed and in agreement with the direction the city is taking in developing a Pay and Compensation Plan for city employees. A copy of the report is attached hereto and made an integral part of these minutes by reference.

Lorenzo stated he assumed that when the Pay and Salary schedule was adopted, the Incentive Pay Plan was null and void. That is not the case. The Incentive Pay Plan was never rescinded and is still in effect. Lorenzo looked at the intent of the Grade and Salary Schedule and is of the opinion that the majority of the Incentive Plan was absorbed in the grade levels,

either certification levels or presumed other areas. The Incentive Pay Plan is broken up into several sectors, mandated certifications by state or federal, local or state federal regulations required by the City of Belen or basically just educational requirements that may or may not actually be required of the position. The Plan was adopted in 2009 and has had some revisions since then. Lorenzo stated, after looking at the resolution and revisions, he is still of the opinion that the majority of the incentives were built into the Grade and Salary Schedule which has not been adopted. The only thing that was adopted was placement of all city employees within the Grade and Salary structure. In other words, pay adjustments were authorized in December. All city employees were placed into the grade levels. Lorenzo stated that there have been approximately 20 issues in the last year where he granted grade level step increases based on certification alone. It has come to light, through Finance, that the city cannot absorb those kind of increases. He stated he believed the spirit of intent was that employees would only receive a grade level increase if a position was open. Lorenzo explained why this came to light. He stated that other entities he contacted do not authorize increases in their pay plan until a position is open to fill. He has done the opposite; basically giving the increase in pay based on the certification employees achieved. Lorenzo stated he is ready to start working the Compensation Plan but everyone has to be on the same page of direction. The actions taken on the HR side need to be fixed.

Councilor Carter asked if an employee decides to get certification, will they be given the incentive increase? Lorenzo stated, as employees receive certification levels, there are changes to duties and responsibilities within those groups; however, it is more an issue of the impact of the increase. He gave the example of an employee with a Commercial Driver's License (CDL) who was hired as a laborer. The day the individual was hired and began working, he was put on the street sweeper because he was the only one in the department who had a CDL. As soon as Lorenzo found that out, he made a phone call to the director of the department and advised him to take the employee off the street sweeper because he is a laborer. The employee was not hired as an Operator I. A phone call was made to Finance and the City Manager who talked to Lorenzo who stated that the employee brought in a certain certification level, according to the pay chart, and he has to be paid for that skill ability for the CDL. If the employee is going to be utilized with the CDL to run the street sweeper, he is going to have to be paid at the Operator I level which would require a Personnel Change Form to change him from a laborer to an Operator I.

Councilor Gallegos stated it is not fair for the laborer to be operating if he is getting laborer wages. He stated, if a department is short-handed and needs the CDL driver and the employee is available, the employee should be compensated for the hours he works as a CDL driver.

Councilor Carter we want laborers to get certifications so they would move up when the positions come available. He asked how we encourage our employees to acquire the certifications when we are not going to pay them unless they get the position.

Councilor Gallegos stated, if the certified employee substitutes, they should be compensated and that should be the incentive - get the certifications and, when the position opens, the employee can go to that position but, if the city needs the employee to fill the position, it is not fair for them to substitute and not get paid for it.

Roseann Peralta stated that the Water and Waste Water department employees receiving the rate being discussed. She stated it is the other groups where a clear understanding of advancement has to be set. Roseann stated there was a laborer who obtained three certificates and is at an Operator 3 level making four dollars (\$4) more an hour when, according to the Incentive Pay Plan, he should be making little more than a dollar (\$1) an hour more, based on the certificates. Roseann stated a plan for those job descriptions was never set or agreed to regarding what the incentive amounts were going to be.

Lorenzo stated, as the employees are becoming more educated with the plan, they are asking the question: If I get a certificate in water, can it be applied to waste water; if I get a waste water certificate, can it be applied somewhere else? He stated the employee would be told that is not the job the employee is doing.

Councilor Ortega stated there is a difference between certification and certificate. He stated a certification is something awarded for continuing education in order to maintain certification. Councilor Ortega also stated that, when the situation came up, the City Manager should have been contacted because she is the head of the department and should tell the supervisors or directors to remove the employee from the position in question. He stated the fix would be to present this to the board to do whatever has to be done to correct the incentive plans and absorb this into payroll. Councilor Ortega

stated, when the Incentive Plan was enacted, there was no payroll schedule. He stated he thought the administration went overboard on what the difference is between certificate and certification. Councilor Ortega stated that it was discussed in one of the council meetings that the job description would discuss whatever the employee is supposed to do and the description stated whatever is deemed necessary in order to operate but the pay is adjusted accordingly if employees have to go into something that is not their position.

Discussion Item #2 called for the council to immediately rescind the Incentive Pay Plan.

Discussion Item #3 was to freeze all pay and incentive increases until an agreed upon compensation plan could be developed which may require union interaction, not only police but the blue collar involvement and/or support. Councilor Gallegos stated he thought the City Manager did that administratively already. Lorenzo stated she had already issued that freeze.

Discussion Item #4 was to develop the City Compensation Plan with or without incentives. Lorenzo stated there were several alternatives which were discussed by the City Manager, Finance and Human Resources. One alternative was retention based on the compensation plan. He stated a retention schedule could be developed for Water and Waste Water in addition to some kind of incentive for the rest of the city which would probably be based on the plan in place but would have to be updated with observation of the true incentive dollar figures within the incentive plan. Another alternative would be to create and/or update the current Incentive Pay Plan. All incentives could be eliminated and have employees prepare themselves for advancement. This would mean utilizing the current Grade and Salary Schedule without immediate grade or pay advancement due to certification and compensation would only occur when a position opened at that grade level. This would place all burdens on the employees to get certifications required to promote when the opportunity presented itself. A fourth alternative would be to define departments within the city where a retention scale could be utilized, such as police, fire, water and waste water departments. The last alternative would be a citywide Incentive Pay Plan utilizing the current Grade and Salary Schedule.

Councilor Carter stated his understanding was there would be a salary range for the positions. An employee would be hired within a range that would include the employee acquiring education or certifications. He stated the increases in the Incentive Plan would keep the employee within the salary range. Lorenzo stated that was correct and explained how the citywide Incentive Pay Plan utilizing the current Grade and Salary Schedule would be used.

Lorenzo stated he contacted other entities, Bernalillo in particular, who stated they did not use an Incentive Pay Plan. They basically use a retention type schedule for those departments that warrant it, such as public safety. There is no incentive. It is incumbent upon the employee to obtain the certifications required to prepare themselves for the next promotion.

Councilor Gallegos stated the organizational chart should state how many positions are needed for each department. Lorenzo stated he and the City Manager are looking at each department and dealing with what is exactly needed within the departments and what we have.

Councilor Ortega again stressed there is a difference between certification and certificate.

Lorenzo stated, if the city fills positions that are needed within the departments, some titles will be eliminated.

Councilor Gallegos stated he liked that there was room between steps where employees can go.

Councilor Ortega asked if there was a cost of living adjustment (COLA) in place.

Lorenzo stated the majority of the city's employees already have 14 to 17 years on the job with no certification levels. There are employees who are being paid over and above their certification levels which are starting to surface because of the pay plan.

Councilor Gallegos stated, at one time, the city gave longevity incentives of five dollars (\$5) a month for every year the employee was with the city which made a difference on a 15 year employee to a five year employee. When the longevity

incentives were removed, there was a difference. He stated, incentive, longevity and retention are all the same thing. He stated, if it is going to happen for one employee, it should happen for all the other employees.

Chief Manny Garcia asked if the goal of the entire city was to retain employees regardless of the department. He stated the bottom of the attached document should show #1 Referencing Incentive Plan. Chief Garcia stated Lucy worked on this for two years and incorporated this document to help compile the Grade and Salary Schedule. Lorenzo stated that was correct.

Councilor Gallegos stated, legally, it was never removed so the employees have a right to the incentives and the salaries. Chief Garcia stated the city honored that in a situation that came up a few weeks ago.

Roseann stated she agreed with the department description within the range, not a bump in grade.

Discussion Item #5 – Once a clear path is set that everyone can agree to, directors/supervisors will have the opportunity to review, discuss, make changes and updates to the compensation plan to make sure that the city is pulling the certification levels from the state so it is known what the certification levels mean, what type of job skills are required, et cetera. This will include updating all of the position descriptions if the city goes with the premise that only jobs needed will be filled within departments. Upon accepting these changes, position descriptions will be signed and become part of the city and employee records and placed in the employee's Official Personnel file with copies distributed to department heads.

Discussion Item #6 – Advantages of an Incentive Pay Plan.

Councilor Gallegos asked about employees who "fall between the cracks." He stated there are a lot of employees without certifications. Councilor Gallegos asked if the city was going to run halfway incentive, halfway Grade and Salary Schedule. He stated there are a lot of other administration positions that do not have levels and asked how those were going to be handled.

Roseann stated a citywide retention plan was considered but it would not be yearly; maybe a 2-4-6, a 3-6-9, to keep employees. She stated the Finance Department has a finance assistant and an AP clerk. She asked where they could go from there. They do not have anywhere else to go. Councilor Gallegos added the clerical positions to the consideration and asked where these positions go so these employees are treated fairly. Roseann stated every department is different and every position cannot be handled the same way. Councilor Gallegos agreed but stated the employees are all employees of the City of Belen so they should all be treated equal. Councilor Ortega added the pay should be fair.

Leona stated the Incentive Pay Plan has never been fair and asked if it could be rescinded.

Councilor Gallegos asked if the situation was better with the salary schedule. He stated it was going to take a lot of work on the Salary schedule to include everybody.

Roseann stated it has been discussed that Chief Garcia wants the basic firefighters who come in to get to the next level. The water employees who are hired on as laborers need to get level 3 and 4. She stated there was never a plan for the other people and asked where administration gets something for them.

Mayor Cordova asked if it would be possible to have both levels and years. Those departments where there are levels, employees are required to get levels in order to get the advancement and for departments where there are no levels, years could be considered for some sort of retention based on years as opposed to levels. Councilor Gallegos asked if that would be considered longevity. Mayor Cordova advised potentially for some of the employees.

Lorenzo suggested the city adopt a three-tier plan. The Grade and Salary Schedule is in place and take Councilor Carter's mindset that, within the grade the employee currently has, there is room for growth based on certifications that are identifiable as one of the three tiers. The first tier would be the Grade and Salary Schedule which would be retitled Pay and Compensation Plan and would identify retention employees. The second tier would be a retention schedule would have to be built, such as the police department did. That would cover some of the union complaints. The third tier would be an incentive plan which would work hand-in-hand with the Grade and Salary Schedule but would have to be updated to

give employees the opportunity to obtain certificates that would give them increases in order to move them within the grade scale. That way, every employee would benefit at least a little. The agreement is that the only time an employee would get a step increase or a grade increase is when there is a position open and employees compete for it.

Chief Garcia stated the bottom line should read: If monies are available.

Councilor Gallegos stated the first step will be to create the positions needed in whatever department is chosen.

Councilor Carter stated Lorenzo has a good idea of where he was going, salary range then incentives within the salary range but, unless the city has the position, the employee does not advance. Councilor Gallegos also asked if that was in the range for the employee to achieve. The employee stays in the position with the certification for advancement but does not advance until there is a position open.

Lorenzo stated there are a couple of things that need direction; the issue of current salaries and salaries that have already been affected. His opinion is that the issue not be perpetuated but corrected. Lorenzo stated there are approximately 14 employees who were promoted a full grade since he implemented the use of the current policy. He asked if the situation should be washed or should it be fixed.

Mayor Cordova asked if Lorenzo meant to pull pay away. Lorenzo stated yes. Mayor Cordova stated he did not think that should be done. It is not the employee's fault. Mayor Cordova stated there is currently a salary freeze and stated that an employee's certificate prior to the freeze is effective. Councilor Gallegos stated correcting the current issue should not affect any of the employees; that is the administration's fault.

Leona stated a heavy equipment operator is now licensed, now certified and all the certificates started coming in. She put a hold on moving the employees with certifications to Operator 1 because the city did not need any more Operator 1 employees, the city needed laborers. The employees got the certificates but the city will not promote them. The employees are under the impression that they would get the incentives under the current policy.

Lorenzo stated that there is some terminology on the job application for the City of Belen that talks about a certification versus a certificate. He stated a certificate is not an equivalent. It opens and perpetuates a problem for the future because the certificate was honored. Lorenzo stated he realizes the city is trying to ensure it is being fair and equitable but honoring a certificate is not fair and equitable. It is a violation and something the city could not stand on if challenged.

Councilor Gallegos asked how a GED would be defined. Lorenzo stated it is an equivalent to a high school diploma. Councilor Ortega stated he has a GED and his states it is equivalent to a high school diploma and is state certified.

Lorenzo stated the city recently honored a certificate that is not an equivalent. This was based on a word in the Incentive Pay Plan which stated certificate.

Mayor Cordova recommended coming up with a definition and bringing it to the council.

Leona recommended taking GED off the Incentive Pay Plan because state law requires a GED to be considered for hiring.

Mayor Cordova stated he thought the City Manager has the authority over salary; however, if the council approves something, that supersedes what the City Manager does and is still in place whether the council says it is or not. He stated the council ought to consider rescinding the Incentive Pay Plan and directing staff to take whatever action needed with this policy. Councilor Gallegos agreed and stated as of now, everything that was done is done.

Lorenzo stated he wanted to make sure the administration was in agreement that the path forward is a three-tiered type system using retention for those departments to be determined that would truly fall into a retention type schedule with appropriate grade level changes. The next structure would be an incentive plan for the Grade and Salary Schedule only within the grade range already identified. He questioned if the retention groups benefit from the incentive. Mayor Cordova stated it should be one or the other, not both. Councilor Ortega agreed, one or the other. Councilor Gallegos referred to the police department because they came up with a great retention plan. The city is trying to retain the officers but are there

any incentives? Lorenzo stated that is what he was asking stating certificates could be added but would it be fair employees in that department to benefit from both incentive tiers. Clara Garcia stated police officers can be certified as an accident reconstructionist which is a lot of schooling.

Leona stated, looking at the Incentive Pay Plan, Bertha would not have anything that she could get certified on so she would go on years. Lorenzo stated administration would have to sit with her department and find out what state or federal mandates are available that could be built in.

Councilor Gallegos asked if that had to be done for the Street Department because the street department employees are just laborers. Lorenzo stated that was worked.

Lorenzo asked for direction. Mayor Cordova stated the plan ought to be one or the other and it should be levels, not certification.

Councilor Ortega asked if the city would be held if employees are acquiring different certifications. Mayor Cordova stated it should not be based on certifications whatsoever; it should be on levels, such as Water, Waste Water and Fire EMT having levels but there are no levels anywhere else.

Lorenzo stated the current Incentive Pay Plan needs to be rescinded.

Councilor Gallegos stated the Incentive Pay Plan could be incorporated within a step as it would only be right for that employee to earn a little bit more.

Chief Garcia stated the freeze would have to stay in effect until the administration comes up with a program to make sure the departments do everything properly.

Leona referred to an employee who is currently a Water Level 1, testing to become a Water Level 2 and may achieve that soon. She asked if the employee should earn the increase between the grade or promote him to a Water Level 2 employee. Mayor Cordova stated only if there is a Water Level 2 position available. Councilor Gallegos stated that is where Roseann and Leona need to know what is needed for each department. Lorenzo stated that employee would only benefit from obtaining the certification. There is no position open so there would be no grade change. The employee would only benefit from an incentive that would be created until a position opens or the department is reorganized and shows a need for another Water Level 2.

Leona stated Water, Waste Water, Police and Fire are definitely the departments with the city's highest need and positions will be created to get everyone to the top; they are going to get grade and salary adjustments, not incentives. Mayor Cordova stated there needs to be a determination for each department, particularly Water, Waste Water, Police and Fire, whether or not there is a need for higher level certification even if there is no position because there is probably not going to be a position available most of the time. A decision needs to be made as to whether or not there are higher level certifications wanted and, if so, that needs to be made known to the staff in those departments so employees can seek those certifications and the authorization has already been established for them to move into those positions.

Lorenzo stated the incentive would probably be a little greater for those types of occupations because of the need. Leona agreed. Chief Garcia stated the plus would be dividing into three eight-hour shifts. There would not be any overtime; therefore, saving that money and always have somebody on duty to make sure things operate. There has to be somebody on duty all the time.

Councilor Gallegos stated a Water Level 1 is better than a laborer which would gain the city. The incentive is to encourage the employee to move closer to the next position.

Mayor Cordova stated he could not stress enough that this has to be planned out ahead of time. If the position is available or if that position need is available, the employee will have to be moved up if they get the certification.

Councilor Gallegos stated he did not want it to become a personality issue. If the employee has the qualifications and the position is needed, the employee should not be overlooked. He also stated the employee should not be promoted if the employee is not qualified.

Mayor Cordova asked if this would be an agenda item for Monday.

FIRE STATION –

Chief Garcia stated the last meeting was regarding the soil sample report that came back informing there was contamination at the proposed new site behind the old station and behind City Hall. The process is at a halt because the next step is unknown, will cost money and where the money will come from is unknown. Chief Garcia referred to John Pate who presented the Workshop with the cost estimate for the new fire station. Mr. Pate stated the cost estimate was revisited. He referred the attendees of the workshop to the last page, line entitled Bare Construction Total. Mr. Pate stated that the construction total currently, based on Molzen-Corbin's cost estimate, is \$3.463 million. With tax, the total is \$3.751 million which is a little bit over the budget at this point in time. The total budget of \$4 million, including all the other costs expended to date, is over budget by \$60,000. Mr. Pate stated it is a cost estimate based on a national database that is tempered for Central New Mexico which is not always accurate. Over the last year, Molzen-Corbin's cost estimates have been coming in at medium, which means on bid opening day, about half of them were more than the cost estimate and half were lower than the cost estimate. He stated it is likely the bid will be less. There are a couple of effects of the contamination based on putting the building on the current site that he does not know the answer to and will not know the answer until the environmental engineer is involved and some construction is started.

Councilor Gallegos asked if we were \$60,000 over our budget right now without dealing with the contamination site. Mr. Pate stated that was without dealing with the contamination completely.

Mayor Cordova asked if that figure includes the 10 percent contingent. Mr. Pate stated yes. Mayor Cordova stated the city was not actually \$60,000 over unless the contingency is used. Mr. Pate stated the contingency was placed because he cannot tell what bids are going to be when bids are opened. He stated the national database cost estimate is usually reasonably accurate but the contingency is added. Mr. Pate stated he did not know what could be cut from the building.

Mr. Pate stated, when the soil investigation was done, which is complete, they encountered what they described as pretty extreme petroleum odors coming from the soil. Drilling is always stopped when that is encountered. The reason they stop drilling is they could drill into an aquifer, a water table or something and worsen a pollution problem. They reached those odors between five and eight feet deep on the site.

Mr. Pate stated that one of the things in the cost estimate was the addition of soil because of the flood plain. This is a critical facility and the finished floor elevation needs to be above the flood plain. He stated there is not a whole lot of excavation into the ground and stated that really does not matter when it comes to this type of contamination because there is always the possibility of disturbing the contamination and making it worse when construction occurs and, once the building is occupied, fumes may come up into the building. Mr. Pate stated that, on the third page of the cost estimate, he included vapor barrier underneath the slab, which Molzen-Corbin does on all buildings, but upgraded this one to one that will stop vapors from coming up. He stated he went to an environmental engineering firm and obtained a proposal to do a plan to study the concentrations of contamination in the soil. This would require boring again, drilling and seeing how deep the contamination goes, what it is and come up with a plan to take it away. Mr. Pate stated it is not expensive to get rid of the bad soil. It is excavated. The Environmental Protection Agency (EPA) requires it to be aired out and it is no longer bad soil. He stated it is expensive because they would be over excavating more than they otherwise have to. Mr. Pate stated they would probably take several feet of soil out from underneath the building and clean, fresh soil would have to be brought in that is structurally capable. He stated there is an unknown cost because it is unknown how deep the excavation needs to be.

Mayor Cordova asked if the costs were estimated in the spreadsheet. Mr. Pate stated he has over excavation based on the structural requirements of the site, not on how much contaminated soil there is because he does not know. Mayor Cordova asked what the \$12,390 amount is. Mr. Pate stated that was the amount to un-excavate unsuitable soil based on what the structural engineer and geotechnical tests tell them to do. It has nothing to do with contaminated soil, how much soil is needed to pull out and bring back in structural fill, place the new footings and new slabs on top of that. That is not taken

into account because how much soil has to be taken out is unknown. Mr. Pate stated he has the geotechnical report which does not have anything to do with contamination. It just has to do with the structural capacity of the soil. He stated there may be more soil that would have to be taken out, in which case, there would have to be new soil imported. He stated he did not image more than \$30,000 to \$50,000 because the soil does not have to be taken out to bedrock. Mr. Pate stated he did not expect it to be much more than that, but he cannot say. He also cannot say if it has to be taken out at all until the concentration is looked at and, to do that, a study needs to be done.

Mayor Cordova asked, in Mr. Pate's best guess, if the construction total of \$3.7 million and the \$50,000 added on top of that for the remediation. Mr. Pate replied almost. There is still one other factor. The proposal from the environmental engineering firm is \$38,000. Mayor Cordova asked what that was for. Mr. Pate stated the environmental engineering firm determines if the tanks are still underneath the site. The tanks are recorded in his documentation from the 1920s, the 1930s and in the 1990s. The gasoline was tested in the past. Mr. Pate stated that, unless somebody can remember them actually being removed, the tanks may still be there. There is a map location of where they are. The tanks may be there but that is uncertain. Mr. Pate stated the tanks should be removed; otherwise, this is going to continue to make matters worse.

Mayor Cordova stated the cost is approximately \$88,000 on top of the current cost estimate. Mr. Pate stated he was thinking, in the back of our minds, we should say \$100,000.

Councilor Gallegos asked if that figure included the liners. Mr. Pate stated the liner is included in the cost estimate already because, no matter what is done, the liner is needed. He upgraded the underground liner.

Mayor Cordova stated the city's options are to continue with this site with about \$100,000 in remediation, move back to the old site which needed drain removal and relocation costs or find a new site.

Councilor Gallegos stated this was not a total remediation because it was going to be very expensive if a total remediation was needed for the area. Mr. Pate stated he thought these were the costs they were talking about; another \$100,000, to the best of his knowledge, would cover it unless something unknown was encountered. Councilor Gallegos stated if they dug too far and it seeped up, the city would be in trouble. Mr. Pate stated that was exactly right and that is why the study is important because it will do borings and take vapor tests at increments going down into the holes so they can see the concentrations. If the water underneath the site is contaminated, there is nothing that can be done about that. He stated what is not wanted is to draw that water away from the site because it would pull more pollution to the site. Mr. Pate stated we do not want to over excavate the site more than is needed and that is why he is saying the excavation is going to be prohibitively expensive. It cannot go that deep because there is water at eight feet. They are already going four feet which is in the cost estimate.

Councilor Gallegos stated the city is about \$60,000 over and another \$100,000 but there is the room with the contingency. Mr. Pate stated he did not think anyone could estimate how much extra soil is needed and how much it is going to cost to remediate the site until the study is done.

Mayor Cordova asked how remediation would be paid for.

Roseann asked if the study was included in the cost estimate or if it is over and above everything. Mr. Pate stated that was over and above everything. Roseann asked if there were going to be any change orders or changes to the original engineering contract that was signed. Mr. Pate stated he is trying not to and stated he has already overspent several of his items in the cost estimate just because the building was moved to a site that is polluted. He stated he is not asking for money for Molzen-Corbin, although they will upcharge this 10 percent.

Chief Garcia asked, if the building was moved to another site, would there be another cost on that? Mr. Pate stated it would probably be more expensive to move to another site. Moving it back to where it was going to be originally, the building design has changed so much that it would not fit on the original site. Mr. Pate also stated there are probably the same soil conditions on that side of the site that exist on this side of the site. It is highly likely that the entire site is contaminated.

Chief Garcia asked, if there was an area that would take the design, would there be much cost on that. Mr. Pate stated it would depend on the site. The site would have to be redesigned. Depending on where it lies in the flood plain vertically elevation-wise, it may require a different way of looking at it. There would be another soil investigation for the structure so there would be some costs associated with it. Mr. Pate stated moving the building would probably be more expensive than fixing the dirt in the long run.

Mayor Cordova stated we need to fix the dirt, whether we do it now or later. Councilor Ortega stated it would be better later than now because the city does not have the extra money. Mayor Cordova stated that was why he asked how we would pay for this because, if we paid it out of Solid Waste, we have the money easily. He stated it needs to be cleaned anyway and, if the city has the money, it ought to be done since payment has already been made to have the fire station designed for that site but he wants to know that the city has the money.

Councilor Ortega asked what the extra cost would be for purging the tanks if they are still there. Mr. Pate stated he did not know. He does not know how big they are. Mr. Pate stated, if the tanks collapse as they are taken out, it gets a little more expensive.

Mayor Cordova asked if the site was a fueling station for city vehicles. Councilor Gallegos stated the fueling station for the city vehicles was across the street. Councilor Ortega stated there was an old Public Service Company (PNM) place on that corner. Mayor Cordova asked if it was an old Suburban Propane site. Mr. Pate stated that, according to the last test report, there was a 10,000 gallon unleaded tank, a 10,000 gallon regular tank and a 5,000 gallon _____ (inaudible).

Chief Garcia asked if he could line item veto the cost estimate. Mr. Pate stated Chief had already cut all of the kitchen appliances to the quick because that was what the guys want. Random comments were made about the need for a juice dispenser and a double door refrigerator. Chief Garcia stated he did not ask for any of this. It was put in the cost estimate.

Roseann asked why linoleum could not be used instead of ceramic tile. Mr. Pate stated because of its durability. Councilor Ortega stated he was in favor of concrete floors.

Roseann asked about the three inch thick sound attenuation blanket. Chief Garcia stated that was probably for acoustics. Mr. Pate stated acoustic blankets were used for insulation blankets to keep the dorm areas quiet.

Mr. Pate stated, on a square foot cost, the building is very efficient.

Mayor Cordova asked if the ice maker was necessary. Chief Garcia stated the fire station has an ice maker that everybody in the city uses. Mayor Cordova stated we do not need a new ice maker if we already have one.

Mayor Cordova asked if a nice concrete floor was possible. Mr. Pate stated it was possible but was hard to maintain. He stated the polished concrete floors that can be mopped and kept clean are not really cheaper than the ceramic tile. It is about \$2.40 a square foot.

Chief Garcia reminded the workshop that the firefighters have to live at the station for two days and they are making do with the bare minimum they have right now.

Roseann asked if the outside could just be metal. Chief Garcia stated they did not want corrugated tin. Roseann asked what the material was. Mayor Cordova stated he thought it was a stucco building with a brick veneer on the bottom. He stated he wanted it to be a nice looking building but stated the ice maker and juicer are not needed. Chief Garcia asked if the bricks actually cost \$12.10 per square foot. Mr. Pate advised they have minimized the brick. He stated the brick is almost necessary and only goes up to _____ (inaudible). He stated the brick was taken off the tower. Chief Garcia referred the workshop attendees to the Career Academy.

Mayor Cordova stated apparently a polished concrete floor would not be much cheaper than the ceramic tile. Mr. Pate stated it is not actually ceramic, it is porcelain and does not get any better in terms of durability. Councilor Gallegos stated there is also a level of concrete versus 19 tile versus whatever flooring has to be flush and it changes the height of whatever it is on. Mr. Pate stated, in terms of when the cost is calculated for a concrete floor, there is extra cost because of

extra level of finishing. It has to be finished more smoothly than a floor where tile will be placed or some sort of painted or liquid surface. In addition to that, it has to be protected during construction because of the contractors possibly dropping tools, the plaster workers dripping plaster. Everything shows up on the concrete and will be seen when it is finished. It will look like an unfinished building. Once the concrete slab goes down, extra money is needed to finish it. Councilor Ortega asked about painting it with a special paint. Mr. Pate stated to fine finish the floor, it would have to be protected, which means gypsum (gyp) board all over it. That costs almost as much as the tile costs and the gyp board is thrown away when the job is finished. He stated they like it and like to use it but it usually costs more money.

Chief Garcia asked what happens to the extra money that is obligated under the bond if the bids come in low. Mayor Cordova stated the city would use it to start paying off the bond and roll that into the payments.

Roseann asked if the total on the last page of \$3.7 million already included the 10% contingency. Mr. Pate stated it did. Roseann stated added to that would be the \$132,000 of what the city is going to purchase itself. Mr. Pate stated that was correct. He stated the only figure he knows for sure is the vehicle exhaust system. Roseann stated the city is already hitting the contingency amount so \$3.8 million is really needed and the city only has \$3.6 million so an additional \$200,000.

Councilor Gallegos stated, if the bids come in high, they would have to be thrown out and rebid. He stated the city is hoping they come in low but that is not known.

Captain Garcia asked Mr. Pate if everything is ready to go to bid. Mr. Pate stated everything was ready. He needs a bid date because he cannot get the wage rates without a bid date.

Leona asked if the city needed the \$200,000 plus the additional \$38,000 for the study. Mr. Pate stated that was about right. He stated the city needs about what is in the contingency. He stated he is pretty comfortable with the cost estimate without the contingency. He just does not like to give cost estimates without a contingency because what is going to happen on bid day is unknown.

Chief Garcia asked what Mr. Pate wanted the bids to come in at. Mr. Pate stated at his cost estimate without the contingency, or \$3.2 million. Chief Garcia stated, if the bid is \$3.2 million or lower, the city would be fine. Mr. Pate agreed.

Mr. Pate reminded the workshop attendees that these figures are the median costs, not low bids or high bids. Typically, on bid day, with his cost estimates, half the bids are lower than the estimate and half the bids are higher. He stated inevitably, there will be a lower bid.

Councilor Ortega asked Roseann where the bid had to be. She agreed with Mr. Pate that the city will not need to dip into the contingency amount because Molzen-Corbin estimates everything higher. Roseann stated, depending on what bids come in, with the study, there is about \$250,000 that the city would have to put in. She asked if there was a way to do it and stated the city freed up money. Councilor Gallegos asked Roseann about priorities for using that money. She stated whatever other projects the city plans on doing, road projects. Roseann stated, by putting it here, the city would push back some of the road projects that have not even been discussed yet. Councilor Gallegos stated the money has been freed up, it is there, it is a matter of priority and the city needs to decide what to do with it.

Councilor Gallegos stated it is still going to cost if the site is moved and asked if the city has a piece of property that will accept 150 feet by 150 feet building without really working on it. The site would still have to be tested to see if it was acceptable. He stated the other conversation was, if the building is moved over just a little bit, it is probably contaminated there too as it is just within 300 feet.

Chief Garcia asked, once mediation starts, if monitoring wells upstream and downstream of the fire department would be needed. Mr. Pate stated he did not think so unless what they encounter is worse than it is thought to be right now. Right now, it is just thought that it is dirty dirt.

Councilor Ortega stated the site is also being built up two or three feet and asked if that would come into play. Mr. Pate stated, when the contamination was found, he did a section showing where the existing grade is and where excavation below existing grade would be. He stated it would only be about three to four feet underneath the existing grade and stated it would not even be in the dirty dirt but would still be underneath the building. Mr. Pate stated the thinks it is smart to do bore holes underneath where the building will be, test the vapors coming off the soil to be able to predict if more dirt is needed to be taken out and clean dirt put underneath the building. He stated the insurance policy on top of that is the extra expensive liner being put underneath the slab.

Councilor Ortega asked if the 60 millimeter (mil) liner went underneath the dirt or above what is brought in. Mr. Pate stated there is structural fill which is usually clean sand, then there is a layer of "Japanese sand" which is gravel dirt, and then the slab. This liner goes between the clean slab and the Japanese dirt so, when the slab is laid, holes do not puncture the liner. Mr. Pate stated the reason this liner is more expensive is, every time a pipe penetrates it, a conduit or anything that goes down into the dirt, a special seal has to be done around it to close the liner off. Otherwise, the vapors will concentrate and come up a hole. Councilor Gallegos asked how the city can do the best that can be done to put the public money to use and not have problems five to ten years from now. Councilor Ortega asked if the 60 mil liner is for the vapor issue, not for moisture barrier. Mr. Pate advised it works as a moisture barrier. Even before it was known that the soil was contaminated, he had a vapor barrier underneath the building but it was the standard vapor barrier that probably got damaged. Mr. Pate stated the line item is mislabeled on the cost estimate. It is not 60 mil. It is heat welded and fully adhered.

Mayor Cordova has a couple of questions for Chief Garcia and asked if there was any way to downsize the building in a way that still meets the needs. Chief recommended and strongly suggested to remain with the five bays for future expansion. Mayor Cordova asked if four offices were realistically needed. Mr. Pate stated that, in terms of structure, eliminating square footage in that part of the building would not save much unless an entire strip was eliminated from the building. He stated shortening the joists would save money versus taking a couple off. Mayor Cordova stated it seemed like there was a lot of space that could be compacted to eliminate material cost. Mr. Pate stated that could be done but there would be a considerable amount of redesign.

Councilor Ortega stated that the five fire doors are approximately \$35,000 each. He stated, if those were converted to regular doors, that would be a savings of \$15,000 a door, or \$75,000. Mayor Cordova stated it was up to Chief Garcia to decide what is a priority for him within the fire station itself.

Mr. Pate reminded the workshop attendees that this fire station has to be the fire station for the next 50 years. Mayor Cordova stated it would make sense to him to consolidate a little bit, cut back on the size of the building which cuts back on the material which, presumably, would save the city money depending on the redesign cost. He stated he did not want Chief Garcia to cut back if cut backs should not happen but, if there is some area that could be removed and compacted, do it. Chief Garcia asked how much it would cost to redesign. Mr. Pate stated he did not know. He stated the space could become a little more efficient. Mayor Cordova stated, if needed, what was originally planned could be added eventually. Mr. Pate stated a lot of the things that could be picked up later are in the cost estimate and in the bid, like the generators, all of the kitchen appliances and all of the laundry type service appliances.

Mayor Cordova asked what the savings would be if the staff conference area, one office and the watch room were eliminated. Mr. Pate stated the building would be reduced by approximately 800 square feet. Chief Garcia asked how much per square foot. Mr. Pate stated \$220 per square feet for \$160,000. He stated there is a lot of economy in scale.

Councilor Ortega stated \$160,000 with the \$75,000 from the doors would give the \$200,000.

Mayor Cordova stated it is not known if this has to be done yet until the bid comes in.

Mr. Pate stated the doors are something that could be changed after the bids are opened. Councilor Ortega stated he was just thinking about the savings and the doors could be redone. Mr. Pate stated if it was a \$75,000 issue, the contract could be worked and legally negotiated out up to 10% of the contract in change orders.

Mayor Cordova stated the purpose of today's workshop on this particular item was to determine if we need to find another site and if it is sounding like another site is not needed, the city will proceed as planned. He stated to put the Request for Proposal (RFP) out, find out what comes back and, depending upon what the bids look like, some adjustments may have to be made, reducing the building size, changing the doors or whatever the situation turns out to be.

Chief Garcia asked, for his understanding, if the city could go out to bid, obtain the bid, review them and changes could be made at that point, if necessary. Mr. Pate agreed. He stated there is some limitation. Mayor Cordova stated the city does not have to award the bid. The bids could be declined, the city could make the adjustments and go out to bid again. Councilor Gallegos stated the city is going to rebid if it is too expensive anyway but there is nothing to gauge on. Once the bids come in, the council is hoping they are under and it will save a lot of headache. If they are over, the city will rebid anyway and that is when rebidding and the things talked about today could be started. If not, the building cannot occur.

Mr. Pate stated, at this point in time, he does not know and he will talk to a few people about this based on the council's direction to him today. If we buy the study from the environmental firm, he wants to find out if it is going to be better to just get an earth company in here without giving a general contractor markup on earth work, get the bad dirt out of there under the supervision of the environmental remediation company and give the building contractor a virgin clean site with the hole that he will have to bring in new fill. It may be two bids.

Leona asked what the earliest date for bid would be. Mr. Pate stated he would not know until he talks to the environmental engineering firm and determine if it is going to be better to get the site cleaned and then go out to bid or have the general contractor be the one who cleans the site. He is under the impression is the contractor markup on this project will probably be in the neighborhood of 25 percent. Mr. Pate would like to get the earth work as cheaply as possible and, if TLC could get the dirt out of there for a better price, and then build the building without it being affected. His fear is, if all the contractors bidding on this find out there is dirty dirt, their prices are going to go up.

Chief Garcia stated we have to consider the Food Pantry people. If there is a big hole, they cannot operate back there. Councilor Ortega stated the Food Pantry people need to know when and the contingency would be to move the Food Pantry to another building.

Mayor Cordova stated, unless anyone had any other concerns, the city ought to move forward with the Request for Proposal process.

Mr. Pate advised Leona he would get her a bid schedule once he determines some of the vagaries on his desk.

FENCE ORDINANCE – *Steve Tomita*

A copy of the report is attached hereto and made an integral part of these minutes by reference.

Steve stated the city does not have a fence ordinance to regulate fences other than height. Planning and Zoning (P&Z) wanted to create a fence ordinance. To establish a fence ordinance, P&Z had to go into different zoning categories and modify some of the language to refer to the fence ordinance. Part of the amendment to the Zoning Ordinance was to flip C-1 and C-2. Everything on Main Street is C-1 zoning and it actually matches C-2 which is heavier zoning. C-1 is actually a neighborhood zoning use.

Mayor Cordova asked if P&Z was changing the term. Steve advised it was easier to do that than to go in and change the zoning of the properties. Councilor Gallegos asked what was required to make the change. Mayor Cordova advised it will come through on the ordinance. Steve advised that was right.

Steve took the report page-by-page. Line Item #59 defined fence because there was no definition of what a fence was. Mayor Cordova asked if the definition on the report was a typical definition of a fence. Steve advised it was researched and it was a more common definition. Mayor Cordova asked if the definition included the wall of a house, such as a wall extending off the wall of a house. Steve advised, if there is a zero lot line house, part of the house is sitting on the lot line and the fence comes past, the wall of the house would act as part of that barrier and be considered a part of the fence.

Line Items #159 through #163 describe the screening involved in the fencing. Screening is a blocking view type fence to create privacy. Mayor Cordova asked if, at some point, there would be a definition of material or what was allowed. Steve advised the P&Z commission could not really come to an agreement on what was allowed or not allowed. They finally decided on what they would not allow. Councilor Gallegos asked about concrete barriers, boulders, et cetera. Steve advised that was why it got so broad-based, the commission decided to define what would not be allowed as it was simpler. Councilor Gallegos advised that metal is being used for fencing and stated metal fencing should not be excluded. He stated that, in some neighborhoods with home owners' associations, certain materials might not be allowed. Steve stated railroad ties and tires were not allowed.

Mayor Cordova advised that Line Item #163 had a typo on "right of ways."

Mayor Cordova advised Line Item #238 directs the reader to the title discussion and stated the same thing was done on Line Item #281. Steve stated P&Z wanted to get rid of trying to define everything in each category and refer everyone to the first located.

Councilor Ortega asked about bales of hay and things like that. Steve stated it was not specifically banned so it would more than likely be allowed in an agricultural area but it would not be wanted downtown.

Mayor Cordova advised that Line Item #568 is where the report started defining what is meant by appropriate fencing.

Steve stated P&Z also incorporated some landscaping information because there was nothing at all pertaining to landscaping. While they were in the zoning, they combined landscape and fence under a general category and then landscaping and fencing. The category talks about the calipers of trees and things like that. He stated P&Z wants good-sized trees and maintenance. That information is in Line Items #597 and #616.

Mayor Cordova advised that Line Item #659 began the section on fences and asked what was there. Steve read that fencing and screening should be permitted in all zones and where heights and locations could be found. He stated that any fence higher than six feet needs to be approved. Steve stated the heights of the fences were broken down by category. He stated no fences will be allowed in the front yard but variances can be obtained if security issues exist. He stated front yard fences portray a negative outlook on Belen. Mayor Cordova stated it closes off the community. Steve stated anything in existence stays, anything new requires a variance that will state, if conditions change, such as a crime problem, a variance can be requested.

Steve stated lighting on the fence is limited to no more than 18 inches and has to maintain the dark skies.

Mayor Cordova stated it is purely an aesthetic point.

Councilor Ortega stated that single parents or older Americans rely on the fence in their yard because they are scared. Councilor Gallegos stated that he can lock his gates and prevent citizens who walk their dogs off leashes from entering his yard. Mayor Cordova stated that people who live on corner lots will place a fence because they do not want people walking through their yard and restated this was an aesthetic argument on his part.

Steve stated commercial zoning is allowing seven foot high fences with a one foot outrigging. Warehouses, storage units and the like in commercial zones will be allowed fencing all the way around. Manufacturing fences will be allowed to 12 feet with fencing all the way around the buildings.

Councilor Gallegos asked if any other ordinances will contradict what is being done here. Steve stated P&Z went back to where there were references every place else to make sure things were in order. Councilor Gallegos asked for clarity regarding grandfathering fences. Steve stated he would make sure that was stated.

Clara Garcia asked how the city would track the grandfathering. Councilor Gallegos advised a permit must be obtained if it is a setback or height issue. He stated there has to be a variance allowed and what is allowed will have to be defined in the variance.

Mayor Cordova stated A6, on Line Item #679, needs a little definition regarding what is meant by replaced. Steve stated he would make that change.

Councilor Ortega asked about fences that are knocked down by impaired drivers. Mayor Cordova advised Steve to look at the sign ordinance for help in defining when reconstruction can occur.

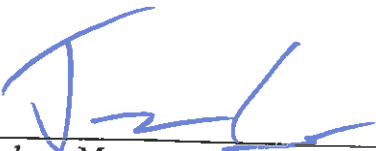
Councilor Gallegos advised Steve that the ordinance needs to be worked on and someone in P&Z needs to present it to the council. Steve stated the department will work on the changes.

ADJOURNMENT:

Mayor Cordova asked for a motion to adjourn today's Workshop. Councilor Gallegos made a motion to adjourn.

Councilor Ortega seconded the motion. Roll Call Vote:

Councilor Frank Ortega	Yes	
Councilor Wayne Gallegos	Yes	
Councilor David Carter	Yes	Motion Carried



Jerah Cordova, Mayor



Leona Vigil, City Manager, CMC