

1 **Regular Meeting of the Finance Committee**
2 **City Hall – Large Conference Room**
3 **425 N. Richardson Ave.**
4 **Thursday, March 6, 2025, at 2:00 PM**

5
6 Notice of this meeting was given to the public in compliance with Sections 10-15-1
7 through 10-15-4 NMSA 1978 and Resolution 24-23.

8
9 **ROLL CALL**

10
11 The meeting convened at 2:00 p.m. with Chairman Corn presiding. Councilor
12 Halvorson, Councilor Heldenbrand, Councilor Johnson, and Councilor Cavin were
13 present.

14
15 **STAFF PRESENT**

16
17 Chad Cole, Luis Najar, Mike Mathews, Lee Rogers, James MacCornack, Abraham
18 Chaparro, Debbie Reyer, Andrew Valadez, Caroline Brooks, Jessica Parham, Elizabeth
19 Prichard, Toni Gomez, Amalia Martinez, Melissa Garcia via GoToMeeting, Merissa
20 Guilez via GoToMeeting, Enid Costley, Jim Burrell, Bobbi Thompson via
21 GoToMeeting, Derick Washichek, Steve Chavez, Naomi Steward, Ron Garcia, and
22 Elizabeth Nulf.

23
24 **GUESTS PRESENT**

25
26 Rita Kane-Doerhoefer and Terry Harber

27
28 **APPROVAL OF AGENDA**

29
30 Councilor Cavin made a motion to amend the agenda to remove Item 17 and Item 18
31 due to a change in proposed cost total from a different vendor. Councilor Heldenbrand
32 seconded the motion.

33
34 For The Record: Councilor Halvorson left the meeting at 2:16 pm.

35
36 The motion passed with a 4-0 voice vote with Councilor Halvorson being absent.

37 Councilor Cavin made a motion to approve amended agenda as presented. Councilor
38 Johnson seconded the motion.

39 The motion passed with a 4-0 voice vote with Councilor Halvorson being absent

40 **APPROVAL OF MINUTES**

- 41
42 1. Consider approval of the February 6, 2025, Regular Finance Committee Meeting
43 Minutes.
44

1 Councilor Heldenbrand made a motion to approve the regular meeting minutes
2 from February 6, 2025 meeting. Councilor Cavin seconded the motion.

3 The motion passed with a 4-0 voice vote with Councilor Halvorson being absent.

4 **BUDGET PLANNING**

5
6 For The Record: Councilor Halvorson joined the meeting at 2:33 pm.
7

8 2. Payroll Summary.

9 Report submitted by Elizabeth Nulf. Ms. Nulf gave an overview on the payroll
10 totals including the detail of the actual payroll cost versus the budgeted totals for
11 the 8 months ended February 28, 2025. The report reflected an overall favorable
12 variance for the eight months ended February 28, 2025, and a favorable outcome
13 for the year-to-date budget totals with 64% of the budget used and 36% of the
14 budget remaining to be used. Councilor Heldenbrand made note to the Police
15 Department reflecting as over budget at the 8-month period ended February 28,
16 2025, and expressed concern on the Police Department's ability to meet the total
17 payroll cost at end of fiscal year. Mr. Cole, City Manager stated the Police
18 Department would meet the total payroll cost for FY2025 and also noted the
19 overtime incurred by the department was the driving factor for the increase in the
20 Police Department's payroll total cost for the eight months.
21

22 3. Total Expenses.

23
24 Report submitted by Toni Gomez. Ms. Gomez gave an overview on the reports
25 included in the agenda, stating the expenses were the total expenses paid for the
26 month of February 2025. Ms. Gomez was open for questions. There were not
27 any questions.
28

29 4. Review Lodger's Tax Income and Expenses.

30
31 Presented by Toni Gomez. Ms. Gomez presented on the report included in the
32 agenda detailing a review of the Lodger's Tax revenue and expenses. Ms.
33 Gomez gave an overview of the revenue and expenditures including payroll total
34 of \$139,740.31, operating expenses total of \$314,925.63, and revenue total of
35 \$1,156,359.93. Ms. Gomez also noted the transfers discussed at the February 6,
36 2025, Finance Committee meeting were transferred to the Roswell Zoo and
37 Convention Center. Councilor Heldenbrand verified the ending cash balance on
38 the report for the Roswell Zoo and Convention center with Ms. Gomez as \$1.4
39 million on February 27, 2025.
40

41 5. Future Budget Planning.

42 Presented by Toni Gomez. Mr. Cole, City Manager gave an overview of the
43 status for budget process for FY2025, stating the first six-month financial reports

1 were provided to the Finance Committee at meeting on February 6, 2025; and
2 the next budget team meeting will be scheduled for April 2, 2025, with a plan to
3 update the Finance Committee at meeting on April 3, 2025. Mr. Cole, City
4 Manager noted the Finance Department is waiting on a few items to review such
5 as insurance reimbursements for damages incurred from the flood disaster and
6 information pertaining to any increases in insurance expense which will need to
7 be reflected in the budget for FY2026. Chairman Corn had a question to Mr.
8 Cole, City Manager in regard to meetings with the department directors
9 concerning the FY26 budget; Mr. Cole, City Manager stated the discussions were
10 limited at this time, but noted the new software Clear Gov will allow the
11 department directors to submit a draft budget electronically to the budget
12 committee for projection calculations. Ms. Gomez gave an overview on the report
13 included in the agenda which included the budget for FY24-25, as well as
14 including the budget adjustments for revenue and expenditures. Ms. Gomez also
15 noted a new fund within the budget was created for Firefighter Recruitment.
16 Councilor Heldenbrand gave an overview noting the expenditures have been
17 recorded creating a bleak outlook in regards to the cash on hand but once
18 reimbursements for the damages due to the flood disaster are received the City
19 of Roswell will have operated within the budget for FY25, despite the flood
20 disaster. Chairman Corn and Chad Cole, City Manager made note of the current
21 proposals in the New Mexico Legislation to provide assistance for the damages
22 incurred in the flood disaster, noting interest free loans. Councilor Cavin asked
23 the status regarding the ARPA funds as the deadline to encumber was
24 December 31, 2024 and Ms. Nulf stated all the ARPA funds have been
25 encumbered meeting the deadline, Toni Gomez concurred, stating the total on
26 the report will remain until end of FY25. Chairman Corn and Chad Cole, City
27 Manager emphasized for the departments to take a conservative approach when
28 preparing their budgets, prioritizing the projects.
29

30 6. Following Ordinance 24-07 the Solid Waste Department has reviewed all costs
31 and rates and is reporting on their financial status.
32

33 Presented by Abraham Chapparo. Mr. Chapparo gave an overview on the report
34 included in the agenda which included a budget analysis for Solid Waste and
35 Landfill Department for Quarter 1, ended September 30, 2024 and Quarter 2,
36 ended December 31, 2024. Mr. Chapparo stated each January, the Solid Waste
37 Director reviews all of the costs to report proposed rate adjustments to ensure
38 that each class of customer is carrying its share of costs, debt service, and
39 reserves to the Finance Committee at their March or April meeting. Mr. Chapparo
40 provided rate recommendations with noting the Solid Waste Department
41 recommends a 3% increase to the Solid Waste Rates and explaining this would
42 increase residential to \$25.09; and, would increase commercial to \$59.18 for 300
43 gallons and \$104.65 for 3-yard metal. Mr. Chapparo gave an overview on the
44 revenue and expenditures for the six-month period from July 1, 2024 to
45 December 31, 2024. Mr. Chapparo stated the actual revenue for the six months
46 ended December 31, 2024 is \$4,799,126 and actual expenses for the six months

ended December 31, 2024 is \$3,538.009. Councilor Heldenbrand gave an overview on the financial report included in the agenda, stating the Solid Waste and Landfill Department operated efficiently and would have reflected a favorable variance at the end of the six months ended December 31, 2024, but due to flood disaster the department incurred flood remediation costs in the amount of \$738,401 in FY25. Councilor Heldenbrand stated Solid Waste and Landfill Department should be reimbursed about \$680,000 for the flood disaster damage expenses, with this information the department's revenue will have exceeded the expenses so the department is doing a great job operating favorably within the FY25 budget. Chairman Corn, Councilor Heldenbrand, Councilor Cavin, Councilor Johnson and Councilor Johnson had discussions in reference to CPI and the Ordinance in line with the current CPI.

FLOOD DISASTER UPDATE

7. Flood Disaster Purchase Order List.

Presented by Toni Gomez. Ms. Gomez provided a report with a total of \$7,788,199.07 for expenses, and purchase orders for required expenses due to flood disaster in October 2024. Ms. Gomez made note of the pending PO for the ladder truck, which is also listed as an action item on the March 6, 2025 agenda. Chairman Corn asked if these purchase order totals were included in the financial report through February 28, 2025, provided earlier in the agenda, Ms. Gomez replied the purchase order total is included in the financial reports for the eight months, July 1, 2024 to February 31, 2025. Chairman Corn again requested an update on the FEMA reimbursement process. Chad Cole, City Manager stated the process is moving along well with the third-party consultants and Lee Rogers working diligently to meet all the FEMA process requirements for the reimbursement process. Councilor Johnson wanted to know if any of the purchase orders were modified in total from the initial creation date of the purchase order, Ms. Gomez stated the purchase orders for the Water and Wastewater were adjusted as a minimal amount was added when PO was created and at a later adjusted to reflect the actual invoice cost.

8. Building Infrastructure and Property – Flood Disaster Update.

Presented by Lee Rogers. Mr. Rogers gave an update making note FEMA granted an extension to April 10, 2025, to the City of Roswell to submit the damage inventory report. Mr. Rogers also stated, the City has completed a side inspection report with FEMA for Parks, and IT, which included the IT building on 4th Street. The side inspection report was 42 pages and was submitted to the FEMA back office for assessment of each line item and once this process is completed by FEMA, the focus will be on the permanent repairs process. Mr. Rogers noted final insurance proceeds from the City's flood insurance coverage have been received which total to 3.7 million; and, are reflected in the budget

1 adjustment report provided earlier in the meeting by the Finance Department.
2 Mr. Rogers stated the insurance proceeds will be used for future City projects,
3 due to the guidelines for the FEMA reimbursement process. Mr. Rogers and
4 DRS Consultants have implemented strategic methods to secure accuracy in the
5 allocation and use of the insurance proceeds aligning with all the FEMA
6 requirements for the reimbursement process. Councilor Halvorson asked if any
7 additional damages have been added to the damage inventory report. Mr.
8 Rogers replied all the departments are working together to assure an accurate
9 and precise damage inventory report to FEMA.
10

11 9. Road and Bridge Infrastructure – Flood Disaster Update.
12

13 Presented by Luis Najar. Mr. Najar gave an update stating the guard rail was
14 replaced at the bridge on 8th Street and debris removal at bridges is in process to
15 completion. Mr. Najar also stated the micro surfacing for roads was near
16 complete and once the weather especially the wind dies down the micro
17 surfacing road work would resume to completion. Mr. Najar also noted he spoke
18 with Abraham in regards to the debris removal at the Sanctuary Pedestrian
19 Bridge. Mr. Najar stated in regards to current cash flow status, he noted the first
20 request for disbursement from loan proceeds in the amount of \$910,000, was
21 submitted. Mr. Najar further stated Wastewater Department would soon receive
22 the \$910,000 in loan proceeds to resume with the City of Roswell sewer line
23 repairs. Mr. Najar also noted once the City of Roswell received reimbursement
24 from FEMA for the sewer line damages the loan would be paid in full, but any
25 chance FEMA did not reimburse for the damages the loan would be forgiven.
26 Mr. Najar also stated a disbursement request would be submitted for the
27 remaining \$1,040,000, once progress on the initial work advanced.
28

29 10. Debris Removal Update due to Flood Disaster.
30

31 Presented by Abraham Chaparro. Mr. Chaparro gave an update on the debris
32 removal and discussed utilizing the secondary site at landfill. Mr. Chaparro also
33 stated regular internal meetings with department heads and DRS consultants
34 continue on a weekly basis. Mr. Chaparro stated all the departments continue to
35 work together creating successful progress in the process. Chairman Corn did
36 have a question about the rocks in the Spring River installed by the Prisoners of
37 War having to be reclaimed, Mr. Cole, City Manager stated some of the rocks
38 have to be preserved and discussed the area of the rocks that will be preserved.
39 Mr. Chaparro also stated only the rocks installed by the Prisoners of War
40 determined as historical would be collected, cleaned, and preserved in the Spring
41 River POW Historic area. Councilor Heldenbrand had a question on the
42 determination of ownership of the Spring River waterway and any determinations
43 of payment for the rebuild. Councilor Cavin indicated concern in regards to who
44 will predominately incur the cost of the Spring River waterway clean up and re-
45 build.
46

- 1 11. Review Water and Waste Water FY25 budget, future budget planning, and
2 flood disaster update.

3
4 Presented by Andrew Valadez. Mr. Valadez gave an update stating the Lea
5 Street Bridge repairs will be complete next week. Mr. Valadez gave an overview
6 on the progress for repairs involving 8th Street Bridge. Mr. Valadez stated he was
7 available for anyone with questions. Not any questions presented at this time.

8 **Action Items**

- 9
10 12. Consider recommending adoption of Resolution 25-XX approving budget
11 adjustments for the fiscal year ending June 30, 2025.

12
13 Presented by Toni Gomez. Ms. Gomez requested to consider recommending
14 adoption of Resolution 25-XX approving budget adjustment in the amount of
15 \$3,439,990.47, for the fiscal year ending June 30, 2025.

16
17 Councilor Heldenbrand made a motion to consider recommending adoption of
18 Resolution 25-XX approving budget adjustments in the amount of \$3,439,990.47
19 for the fiscal year ending June 30, 2025 to the consent agenda. Councilor
20 Halvorson seconded the motion.

21
22 The motion passed with a 5-0 voice vote.

- 23
24 13. RFP-25-006: Consider Recommending Approval of Scope of Work for RFP-25-
25 006 Audit Services.

26
27 Presented by Toni Gomez. Ms. Gomez requested to consider recommending
28 approval of Scope of Work for RFP-25-006 Audit Services. The City of Roswell,
29 New Mexico is seeking proposals from independent Certified Public Accounting
30 Firms (CPAs) approved by the New Mexico State Auditor to conduct the annual
31 audit of the City's financial statements for the fiscal year July 1, 2024 through
32 June 30, 2025.

33
34 Councilor Johnson made a motion to consider recommending approval of Scope
35 of Work for RFP-25-006 Audit Services seeking proposals from independent
36 Certified Public Accounting Firms (CPAs) approved by the New Mexico State
37 Auditor to conduct the annual audit of the City's financial statements for the fiscal
38 year July 1, 2024 through June 30, 2025 to the consent agenda. Councilor Cavin
39 seconded the motion.

40
41 The motion passed with a 5-0 voice vote.

- 42
43 14. Consider recommending authorization for change order to PO 22501332 for the
44 following emergency Water & Wastewater Repairs due to flood disaster: Hondo

1 Draw Bypass (Hondo River Sewer Damage) in the amount of \$462,259.59, 4th
2 Street man-hole replacement in the amount of \$65,323.31, Lea Street manhole
3 replacement in the amount of \$128,310.37, and Berrendo River Aerial sewer line
4 repair in the amount of \$6,967.69 totaling \$662,861.05 to J & H Services, Inc.
5 including GRT.
6

7 Presented by Naomi Steward. Ms. Steward requested to consider recommending
8 authorization for change order to PO 22501332 for the following emergency
9 Water & Wastewater Repairs due to flood disaster: Hondo Draw Bypass (Hondo
10 River Sewer Damage) in the amount of \$462,259.59, 4th Street man-hole
11 replacement in the amount of \$65,323.31, Lea Street manhole replacement in
12 the amount of \$128,310.37, and Berrendo River Aerial sewer line repair in the
13 amount of \$6,967.69 totaling \$662,861.05 to J & H Services, Inc. including GRT.
14

15 Councilor Johnson made a motion to consider recommending authorization for
16 change order to PO 22501332 for the following emergency Water & Wastewater
17 Repairs due to flood disaster: Hondo Draw Bypass (Hondo River Sewer
18 Damage) in the amount of \$462,259.59, 4th Street man-hole replacement in the
19 amount of \$65,323.31, Lea Street manhole replacement in the amount
20 of \$128,310.37, and Berrendo River Aerial sewer line repair in the amount of
21 \$6,967.69 totaling \$662,861.05 to J & H Services, Inc. including GRT to the
22 consent agenda. Councilor Halvorson seconded the motion.
23

24 The motion passed with a 5-0 voice vote.
25

26 15. Consider Recommendation of Resolution 25-XX for support of projects in
27 response to the NMDOT's January 2025 TPF Funding Call For Projects.
28

29 Presented by James MacCornack. Mr. MacCornack requested to Consider
30 Recommendation of Resolution 25-XX for support of projects in response to the
31 NMDOT's January 2025 TPF Funding Call For Projects.

32 This is for project application support. Any awarded projects would have to be
33 budget adjusted one formal award is received.

- 34 1. 2nd St. (US 380) Pavement Maint. - \$1,520,000 (State \$1,444,000, City Match
35 \$76,000)
36 2. S. Atkinson Mill & Fill Capital- \$2,660,000 (State \$2,527,000, City Match
37 \$133,000)

38 Councilor Halvorson made a motion to consider recommendation of Resolution
39 25-XX for support of projects in response to the NMDOT's January 2025 TPF
40 Funding Call For Projects to the consent agenda. Councilor Heldenbrand
41 seconded the motion.
42

43 The motion passed with a 5-0 voice vote.

- 1
2 16. Consider recommending authorization for the approval of issuing a purchase
3 order to Siddons Martin Emergency Group in the amount of \$215,000.00 for a
4 2003 Ferrara 100' Ladder truck.
5

6 Presented by Steve Chavez. Mr. Chavez requested to consider recommending
7 authorization for the approval of issuing a purchase order to Siddons Martin
8 Emergency Group in the amount of \$215,000.00 for a 2003 Ferrara 100' Ladder
9 truck.
10

11 After the floods totaled our aerial platform, we were able to secure a used aerial
12 ladder for rent. The initial payments were being made by NMSIF and as the
13 payouts have come, it is now the responsibility of the City to take over rental
14 payments.

15 The charge is \$395.00/ day. The new ladder truck is expected in 12-18 months.

16 12 - months rent= \$144,175.00

17 18 - months rent = \$216,262.50

18 We would like to purchase the truck and own it. This will allow us to keep it in our
19 fleet as a reserve for years to come for the same price as paying the rent.
20

21 Councilor Halvorson made a motion to consider recommending authorization for
22 the approval of issuing a purchase order to Siddons Martin Emergency Group in
23 the amount of \$215,000.00 for a 2003 Ferrara 100' Ladder truck. Councilor
24 Heldenbrand seconded the motion.
25

26 The motion passed with a 5-0 voice vote.
27

- 28 19. Consider recommending authorization to approve waiving the replacement fees,
29 valued at \$1,440.92, for items borrowed and damaged or lost in the flood of
30 October 19, 2024.
31

32 Presented by Enid Costley. Ms. Costley requested to consider recommending
33 authorization to approve waiving the replacement fees, valued at \$1,440.92, for
34 items borrowed and damaged or lost in the flood of October 19, 2024. Ms.

35 Costley stated

36 On October 19, 2024, the City of Roswell and Chaves County experienced a
37 devastating flood that caused damage to many homes and property. Included in
38 the damaged items were materials borrowed from the Roswell Public
39 Library. Residents returned damaged materials or reported damaged materials
40 between October 21, 2024 and January 31, 2025.
41

42 Councilor Heldenbrand made a motion to consider recommending approval to
43 approve waiving the replacement fees, valued at \$1,440.92, for items borrowed
44 and damaged or lost in the flood of October 19, 2024, to the consent agenda.
45 Councilor Cavin seconded the motion.
46

47 The motion passed with a 5-0 voice vote.

- 1
2 20. Consider recommending approval of Award of Professional Services for the
3 Roswell Public Library Outdoor Play and Learn Area to Studio 27 in the amount
4 of \$38,843.93 which included GRT.

5
6 Presented by Enid Costley. Ms. Costley requested to consider recommending
7 approval of Award of Professional Services for the Roswell Public Library
8 Outdoor Play and Learn Area to Studio 27 in the amount of \$38,843.93 which
9 included GRT.

10 Funding Source - Miscellaneous expense: Donation library funding available
11 \$63,583.25. The City of Roswell issued a RFQ on January 30, 2025, from the on-
12 call vendors for design services. The award of professional services for a
13 complete set of engineer-designed plans for developing and constructing an
14 outdoor early childhood play and learning area (3,182 square feet). The outdoor
15 early childhood play area and learning area will be located in the northeast area
16 of the library with an entrance through the children's area. The area will be
17 fenced in and include an area for outdoor play and a gardening area. An outdoor
18 program area would be ideal. The outdoor early childhood play area and learn
19 area will include an integrated mixture of elements with a defining signature
20 theme that identifies the facility as unique and one-of-a-kind. The city desires the
21 outdoor early childhood play and learn area to be music-themed, consisting of
22 singing, talking, reading, writing, and playing features. We would like this project
23 completed by December 31, 2025.

24 Councilor Heldenbrand made a motion to consider recommending approval of
25 Award of Professional Services for the Roswell Public Library Outdoor Play and
26 Learn Area to Studio 27 in the amount of \$38,843.93 which included GRT to the
27 consent agenda. Councilor Cavin seconded the motion.

28
29 The motion passed 5-0 voice vote.
30

31 **NON-ACTION ITEMS**

- 32
33 28. Finance Departmental Reports.

- 34
35
 - Gross Receipts Tax
 - Cannabis Excise Tax
37

- 38 29. Lodger's Tax Report

- 39
40
 - Convention Center Bed Fee
41

42 Report submitted as stands, no questions.
43

- 44 30. Roswell Public Library

1
2 Report submitted as stands, no questions.

3
4 31. Golf - Department Report.

5
6 Report submitted, no questions

7
8 32. Museum Monthly Report

9
10 Report submitted as stands, no questions.

11
12 33. Public Affairs Report.

13
14 Reports submitted as stands, no questions.

15
16 34. Visitor Center Report.

17
18 Report submitted as stands, no questions.

19
20 **PUBLIC PARTICIPATION**

21
22
23 **ADJOURN**

24
25 The meeting adjourned at 5:13 p.m.