

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

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

ROLL CALL

The meeting convened at 2:00 p.m. with Vice Chair Cavin presiding. Councilor Halvorson, Councilor Heldenbrand, and Councilor Johnson were present. Chairman Corn was absent.

STAFF PRESENT

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

GUESTS PRESENT

Rita Kane-Doerhoefer and Terry Harber

APPROVAL OF AGENDA

Councilor Heldenbrand made a motion to approve the agenda as presented. Councilor Halvorson seconded the motion.

The motion passed with a 4-0 voice vote with Chairman Corn being absent

APPROVAL OF MINUTES

1. Consider approval of the April 3, 2025, Regular Finance Committee Meeting Minutes.

Councilor Johnson made a motion to approve the regular meeting minutes from the April 3, 2025 meeting. Councilor Halvorson seconded the motion.

The motion passed with a 4-0 voice vote with Chairman Corn being absent.

BUDGET PLANNING

2. Payroll Summary.

Presented by Elizabeth Nulf. Ms. Nulf gave an overview of the report reflecting the payroll totals including the detail of the actual payroll cost versus the budgeted totals for the 9 months ended March 31, 2025. The report reflected a favorable variance overall for the nine months ended March 31, 2025, with 71% of the budget used and 29% of the budget remaining to be used. Ms. Nulf noted an unfavorable variance for the Recreation Department for the 9 months ended March 31, 2025, due to a decrease in the projected payroll amount budgeted for the Recreation Department for FY24 versus FY25. Councilor Halvorson did ask for the details surrounding the unfavorable variance for the Recreation Department and Mr. Cole, City Manager stated it was due to the FY25 budget projection for the Recreation Department payroll as there were not any addition of employees or changes in the Recreation payroll. Councilor Heldenbrand concurred it was due to the projected total for the Recreation Department for FY25 payroll budget. Councilor Johnson and Vice-Chair Cavin made note to Finance Department the projections for the Recreation payroll budget should be closer to actual for FY26.

3. Total Expenses.

Presented by Toni Gomez. Ms. Gomez gave an overview of the reports included in the agenda, stating the total expenses paid for March 2025 were in the amount of \$8,211,659.11. Ms. Gomez was open to questions. There were no questions. Councilor Heldenbrand noted as a member of the Finance Committee his preference is for the Finance Department to provide the total for all expenses each month; but in his view, there was no need to attach all the multiple pages leading to the monthly total expenses. Councilor Heldenbrand stated it was very time-consuming for Ms. Gomez and the Finance Department when the bottom-line total for the expenses is the only information needed to measure against revenue for financial reports. Ms. Gomez stated the report was a request from Chairman Corn.

4. Review Lodger's Tax Income and Expenses.

- Presented by Toni Gomez. Ms. Gomez presented on the report included in the agenda detailing a review of the Lodger's Tax revenue and expenses. Ms. Gomez gave an overview of the revenue and expenditures including payroll total of \$155,443.87, operating expenses total of \$360,651.01, and revenue total of \$1,247,169.03. Toni Gomez was open to questions. Councilor Heldenbrand verified the ending cash balance on the report for the Roswell Zoo and Convention Center with Ms. Gomez as \$1.5 million on March 31, 2025. Councilor Cavin had questions in reference to the Lodger's tax for Airbnb rentals. Ms. Gomez stated Justin Jones had knowledge of the information. Mr. Jones gave an overview, stating fifty-five letters were mailed to landlords who have rentals registered with Airbnb. The letters provided the information outlining the Lodger's tax requirements for rentals registered with Airbnb in the City of Roswell. Mr. Jones also noted new software to identify rental properties.

5. Future Budget Planning.

Presented by Chad Cole. Chad Cole, City Manager gave an overview of the status for the budget process for FY2026, including an overview of the new software platform which will contribute to efficiency moving forward. Mr. Cole, City Manager stated the budget process was moving forward and the team was currently working on revenue projections for FY26. Mr. Cole, City Manager also noted a possible change in the software used by the City of Roswell. Mr. Cole, City Manager stated he and Toni Gomez, Finance Director had met with NetSuite team so requested for NetSuite team to provide a presentation to Finance Committee and City Council. NetSuite software is a cloud-based accounting software. The NetSuite Software team gave a full presentation noting all the advantages and benefits provided in the NetSuite software for local governments. NetSuite team emphasized the utility software included in NetSuite is used by several trusted big names in utilities. Mr. Cole, City Manager also noted the annual cost of the NetSuite software will be less annually in cost than for the current software used by the City of Roswell.

6. Fleet Maintenance – Enterprise Fleet Maintenance Presentation

Presented by Christina Spears. Ms. Gomez stated Christina from Enterprise Fleet Maintenance gave a presentation to the Infrastructure Committee; therefore, was asked to also present to the Finance Committee. Christina Spears gave an overview on the reports included in the agenda and gave a presentation including the advantages Enterprise Fleet Maintenance provides including replacement of vehicles over the years, vehicle maintenance, and advantage in addressing supply chain issues.

7. Air System Repair

Presented by Jim Burress. Jim Burress gave an overview in regard to the repairs to the generator and to the air handlers.

FLOOD DISASTER UPDATE

8. Flood Disaster Purchase Order List.

Presented by Toni Gomez. Ms. Gomez provided a report with a total of \$10,460,842.35 for March 2025 expenses, and purchase orders for required expenses due to the flood disaster in October 2024. 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. Councilor Heldenbrand asked for the amount of the total expenditures reflected in the general fund and the information on reimbursements. Ms. Gomez stated she would get back to Councilor Heldenbrand.

9. Building Infrastructure and Property – Flood Disaster Update.

Presented by Lee Rogers. Mr. Rogers gave a handout providing an overview on the report. Mr. Rogers noted final insurance proceeds from the City's flood insurance coverage have been received which totaled 3.7 million; and, are reflected in the budget adjustment report. Mr. Rogers gave an overview of the FEMA loss categories such as Category B. Mr. Rogers stated the insurance proceeds will be used for future City projects, due to the guidelines for the FEMA reimbursement process. Mr. Rogers and DRS Consultants have implemented strategic methods to secure accuracy in the allocation and use of the insurance proceeds aligning with all the FEMA requirements for the reimbursement process. Mr. Rogers replied all the departments are working together to ensure an accurate and precise damage inventory report to FEMA.

10. Road and Bridge Infrastructure – Flood Disaster Update.

Presented by Luis Najar. Mr. Najar stated the road micro surfacing had been completed last week. Mr. Najar also noted he spoke with Abraham in regards to the debris removal at the Sanctuary Pedestrian Bridge. Mr. Najar gave an update on the DeBremond Stadium, including the repairs needed to the channel to avoid future flooding and destruction.

11. Debris Removal Update due to Flood Disaster.

Presented by Abraham Chaparro. Mr. Chaparro gave an update on the debris removal and discussed utilizing the secondary site at landfill. Mr. Chaparro also stated regular internal meetings with department heads and DRS consultants continue on a weekly basis. Mr. Chaparro stated all the departments continue to work together creating successful progress in the process.

12. Review Water and Waste Water FY25 budget, future budget planning, and flood disaster update.

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

ACTION ITEMS

13. Consider recommending authorization for repair of Waste Water Treatment Plant MRAS Basin Pedestrian Bridge to Smith Co Construction for \$66,146.05 which includes GRT.

Presented by Naomi Stewart.

The City of Roswell is seeking services for the repair of the walkway bridge that crosses the MRAS Basin at the Waste Water Treatment Plant. Quotes solicited utilizing RFP 25-001 Utility On-Call Utility Repair Services. Only one vendor responded with a quote to the RFQ:

- | | |
|--------------------------|-----------------------------------|
| 1. Smith Co Construction | \$ 66,146.05 with GRT |
| 2. AUI | Notification of no quote received |
| 3. J&H Services | No quote received |

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

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

14. Consider recommending approval of a 5-year contract in the total amount of \$496,350.00 with Paladin Drones.

Presented by Lieutenant Fry. Lieutenant Fry stated the Roswell Police currently has two drones and one dock. The dock is located on the roof of the police department with a drone housed inside. Over the first 45 days of use with the Paladin system, the drones have already assisted in 2 vehicle pursuits, multiple search warrants, multiple arrest warrant services, was airborne for 1 hour 47 minutes during a SWAT standoff, responded to multiple structure fires, and a grass fire. We have seen success with the streaming capabilities and have recorded vital evidence that will assist in criminal prosecution. Through Paladin, both drones are now capable of being controlled by any computer or MCT via cellular service. The video from both drones is able to be streamed and saved to the cloud. A temporary link is able to be texted to any cell phone for the user to view anywhere. Paladin drafts and submits all necessary certificate of waiver or authorization paperwork to the FAA.

This 5-year contract would give the police and fire departments 2 additional drones and docks for a total of 3 docks and 4 drones. The docks would be located at Fire Station 3 (2800 North Wilshire), Roswell PD (128 W 2nd), and Fire Station 5 (117 W Gayle) with the fourth drone capable of being deployed from the field. Attached is a coverage map. The 5-year contract also covers any maintenance and repairs on any drone, streaming capabilities, and coverage for technological and legal changes.

Future uses include responding to calls for service, narcotic surveillance, warrant services, SWAT standoffs, building clearances, grass fires, structure fires, large public gatherings to include UFO Fest, Eastern New Mexico State Fair, National Championship Air Races, and Sling it Fling it. This will also allow aerial

documentation of major crash and crime scenes. The drones would be operated and monitored by the Real Time Crime Center at the Roswell Police Department.

Councilor Halvorson expressed concern over details outlined in the contract on Page 60, 6A, drone equipment repair, maintenance, drone replacement plus insurance coverage for lost or damaged drone. Counselor Heldenbrand and Counselor Johnson requested if Legal Department had reviewed the contract. Counselor Johnson had questions in regard to the quote confirming the supporting documentation regarding the availability of State price plan and supporting documentation attached to show cause for not going out for bid. All the Councilors requested clarification in regard to the contract replacement policy and insurance requirements.

Councilor Johnson made a motion to consider recommending approval of a 5-year contract in the total amount of \$496,350.00 with Paladin Drones on the regular agenda with the caveat that clarification is provided and confirmed for the questions concerning the contract specifications for drone replacement and the insurance requirement plus if the vendor was on a cooperative agreement. Councilor Heldenbrand seconded the motion.

The motion passed with a 4-0 voice vote, with Chairman Corn absent.

15. Resolution 25-XX: Disposal of Certain Surplus Personal Property - consider recommending the adoption of Resolution 25-XX to dispose of certain surplus personal property listed on the attachment.

Presented by Toni Gomez. Ms. Gomez stated Becky Hicks was out of the office and Ms. Gomez gave an overview to consider recommending the adoption of Resolution 25-XX: Disposal of Certain Surplus Personal Property. Ms. Gomez stated this request covers old/obsolete equipment and vehicles currently owned by the City of Roswell.

Ms. Gomez noted, Exhibit A: items valued at less than \$2,500. This list is vehicles and equipment that have been either totaled by insurance, stolen or ready for auction because the repairs needed exceed the asset value and Exhibit B: items valued at more than \$2,500. This list is vehicles and equipment that have been either totaled by insurance or deemed to have exceeded life expectancy with the City of Roswell.

Councilor Johnson made a motion to consider recommendation of adoption Resolution 25-XX to dispose of certain surplus personal property listed on the attached list to the consent agenda. Councilor Halvorson seconded the motion.

The motion passed with a 4-0 voice vote with Chairman Corn absent.

16. Consider recommending authorization for approval to issue a purchase order in the amount of \$262,661.55 for the purchase of three SCBA compressors from Municipal Emergency Services.

Presented by Steve Chavez. Mr. Chavez gave an overview and stated the fire department was awarded funds from the State Fire Marshal Office grant in 2024 for the purchase of multiple SCBA Compressors. These compressors will be located at strategic fire stations throughout the City of Roswell including the fire training facility

Councilor Halvorson made a motion to consider recommending authorization to issue a purchase order in the amount of \$262,661.55 for the purchase of three SCBA compressors from Municipal Emergency Services to the consent agenda. Councilor Johnson seconded the motion.

The motion passed with a 4-0 voice vote with Chairman Corn absent.

17. Consider recommending authorization for the approval to issue a purchase order in the amount of \$740,030.00 for the purchase of one Class-A HME pumper from Municipal Emergency Services.

Presented by Steve Chavez. Mr. Chavez gave an overview and stated during the October 2024 flooding, the fire department lost four (4) Class A pumpers. Utilizing funding from the insurance, we are looking to replace one of the units. We are currently operating out of reserve units that are dated and are out of NFPA compliance for frontline engines. The purchase of this apparatus will allow our frontline fleet to be NFPA compliant for pumper coverage.

Councilor Heldenbrand made a motion to consider recommending authorization for the approval to issue a purchase order in the amount of \$740,030.00 for the purchase of one Class-A HME pumper from Municipal Emergency Services to the consent agenda. Councilor Johnson seconded the motion.

The motion passed with a 4-0 voice vote with Chairman Corn absent.

18. Consider recommending approval to issue a purchase order in the amount of \$357,340.88 to Howe Medical for the purchase of eight (8) New Lifepak 35 cardiac monitors.

Presented by Steve Chavez. Mr. Chavez stated in order for the fire department to maintain its Advanced Life Support program through the state of NM, front-line engines are required to carry cardiac monitors. Most monitors have a life expectancy of approximately 8 years. The last cardiac monitors purchased by the fire department were purchased in 2015. The Zoll cardiac monitors purchased at that time were refurbished models. This puts the age of refurbished models at 10 years old.

Councilor Halvorson made a motion to consider recommending approval to issue a purchase order in the amount of \$357,340.88 to Howe Medical for the purchase of eight (8) New Lifepak 35 cardiac monitors to the consent agenda. Councilor Heldenbrand seconded the motion.

The motion passed with a 4-0 voice vote, with Chairman Corn absent.

19. Consider recommending authorization for ratification of change order in the amount of \$1,578,283.30 to increase PO 22501369 for Museum disaster recovery remediation inclusive of building, contents, and art and historical objects from current amount of \$850,000.00 to a new amount of \$2,428,283.30.

Presented by Caroline Brooks. Ms. Brooks Consider recommending authorization for ratification of change order in the amount of \$1,578,283.30 to increase PO 22501369 for Museum disaster recovery remediation inclusive of building, contents and art and historical objects from current amount of \$850,000 to a new amount of \$2,428,283.30.

Ms. Brooks stated the Roswell Museum was devastated by more than 5 feet of water during the October 19-20 flood event, impacting the building, contents, and art and historical collection and in-loan items and requiring immediate and thorough action. The remediation company, M&M 4 HIM, LLC Servpro of Southwest Lubbock (Servpro), provided the building and contents remediation services as well as support for the subcontractor The Conservation Center for the evacuation, triage and preparation of transport of the art and historical objects to conservation and storage facilities. Change order is to cover costs associated with the disaster recovery that were excluded in the estimate provided by Servpro at the initial stage of the response efforts due to lack of comprehensive knowledge of contents and unprecedented work in a museum environment.

Councilor Johnson made a motion to consider recommending authorization for ratification of change order in the amount of \$1,578,283.30 to increase PO 22501369 for Museum disaster recovery remediation inclusive of building, contents, and art and historical objects from current amount of \$850,000.00 to a new amount of \$2,428,283.30 to the consent agenda. Councilor Halvorson seconded the motion.

The motion passed with a 3-1 voice vote, with Councilor Heldenbrand voting no and Chairman Corn absent.

20. Consider recommending adoption of Resolution 25-XX approving budget adjustment for the fiscal year ending June 30, 2025.

Presented by Toni Gomez. Ms. Gomez requested to consider recommending approval of Award of Professional Services for the Roswell Public Library Outdoor Play and Learn Area to Studio 27 in the amount of \$38,843.93 which included GRT.

Councilor Heldenbrand made a motion to consider recommending adoption of Resolution 25-XX approving budget adjustment for the fiscal year ending June 30, 2025 to the consent agenda. Councilor Halvorson seconded the motion.

The motion passed 4-0 voice vote with Chairman Corn absent.

21. Ordinance 25-XX: Consider recommendation to authorize to advertise for a public hearing to consider adopting proposed Ordinance 25-XX amending the Solid Waste Code.

Presented by Abraham Chaparro. Mr. Chaparro gave an overview and stated per Ordinance 24-07 Chapter 21 Solid Waste: Effective with the beginning of each Fiscal Year, the City Council shall review and adjust all rates for changes occurring since the beginning of the previous Fiscal Year or the last rate adjustment, whichever shall have last occurred. The Solid Waste Director shall, each January, review all costs and rates and shall report to the Finance Committee, at their April meeting, proposed rate adjustments to ensure that each class of customer is carrying its share of costs, debt service, and reserves. In the March Finance Committee, the committee requested that the department go to legal with an amendment to Chapter 21 of the city code increase the rates by 3% and amend the code to read that increases shall be done by CPI-W every July 1st while striking out the yearly revisit.

Councilor Heldenbrand made a motion to discuss at a later date and table Ordinance 25-XX to consider recommendation to authorize to advertise for a public hearing to consider adopting proposed Ordinance 25-XX amending the Solid Waste Code. Councilor Halvorson seconded the motion.

The motion passed 4-0 voice vote with Chairman Corn absent.

NON-ACTION ITEMS

22. Finance Departmental Reports.

- Gross Receipts Tax
- Cannabis Excise Tax

23. Lodger's Tax Report

- Convention Center Bed Fee

Report submitted as stands, no questions.

24. Roswell Public Library

Report submitted as stands, no questions.

25. Golf - Department Report.
Report submitted, no questions
26. Museum Monthly Report

Report submitted as stands, no questions.
27. Public Affairs Report.

Reports submitted as stands, no questions.
28. Visitor Center Report.

Report submitted as stands, no questions.

PUBLIC PARTICIPATION

ADJOURN

The meeting adjourned at 5:13 p.m.