

Regular Meeting of the Finance Committee
City Hall – Large Conference Room
425 N. Richardson Ave.
Thursday, October 2, 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 25-28.

ROLL CALL

This meeting convened at 2:00 PM with Councilor Corn presiding. Councilor Cavin, Councilor Heldenbrand, Councilor Johnson, and Councilor Halvorson were present.

STAFF PRESENT

Debbie Reyer, Abraham Chaparro, Andrew Valadez, Enid Costley, Mac Rogers, Frank Rincon, Naomi Steward, Angela Garcia, Amalia Martinez, Caroline Brooks, Chad Cole, James MacCornack, Tammi Smith, Toni Gomez, Mayor Tim Jennings, Councilor Cristina Arnold, Hess Yntema, Steve Chavez, and Cloe Medrano

GUESTS PRESENT

Emily Valencia

GUESTS ONLINE

A. Dickerson COR VC, Jessica Parham, Lilliy, SH, TH – RDR, ZS, and 23 guests.

APPROVAL OF AGENDA

Councilor Heldenbrand made a motion to amend the agenda to moving Item 19 (previously tabled) to Item 10A for discussion. Councilor Cavin seconded the motion. The motion passed with a unanimous vote.

Councilor Heldenbrand made a motion to approve the agenda as amended for October 02, 2025. Councilor Cavin seconded the motion. The motion passed 5-0.

FLOOD DISASTER UPDATES

Mac Roger provided updates on FEMA obligations and reimbursements, state revolving loan fund applications, validation of reported damages, and progress on road damage. Discussion included the Police Department building repairs, drainage, and HVAC issues; museum planning; and coordination with state partners.

BUDGET PLANNING

1. Engineering's, 5-Year Master Plan. Presented by James MacCornack.

The Engineering Department's Five-Year Master Plan outlines anticipated capital and maintenance projects, equipment life-cycle schedules, and infrastructure priorities. The presentation addressed the need to replace aging equipment, such as the City's

crusher, and to evaluate whether future material processing should continue in-house or be contracted externally.

Discussion covered the City's pavement preservation strategy, with emphasis on preventative maintenance. Committee members reviewed the condition of various street segments and discussed balancing cost-effectiveness with long-term durability. James highlighted the need for modernizing traffic signal monitoring systems, maintaining spare electronic components for field use, and developing an engineering talent pipeline to ensure workforce continuity in future years.

ACTION ITEMS

2. Consider the recommendation of Resolution 25-XX for participation in the Transportation Project Fund Program administered by the New Mexico Department of Transportation for pavement maintenance and re-striping of Second Street from Sunset Rd. to the east City limits. Presented by James MacCornack.

The City of Roswell has been awarded a project under the Transportation Project Fund through the New Mexico Department of Transportation. The awarded project is pavement maintenance and re-striping of Second Street from Sunset Road to the east city limits. The agreement is for a project budget of \$1,520,000 with 95% NMDOT funding and a 5% match from the city. The City's match for the project is \$76,000. It is anticipated that the project can be completed in Spring 2026.

James outlined the scope and timeline, stating that the work will involve asphalt pavement rehabilitation and restriping to restore roadway integrity and improve safety along the corridor, with completion anticipated in Spring 2026. The project is being coordinated under NMDOT's TPF standards to ensure compliance with state procurement and construction requirements.

The Infrastructure Committee voted 5-0 on September 15, 2025, to recommending the item to the Finance Committee and have it placed on the City Council's consent agenda.

Councilor Halvorson made a motion for the adoption of Resolution 25-XX for participation in the Transportation Project Fund Program administered by the New Mexico Department of Transportation for pavement maintenance and re-striping of Second Street from Sunset Rd. to the east City limits to the consent agenda. Councilor Johnson seconded the motion. The motion passed 5-0.

3. Requesting ratification of PO #22601020 to J&G Electric in the amount of \$77,321.86 for boring services to provide primary power for the Grandstands at the National Championship Air Races. Presented by Mac Rogers.

This request ratifies PO #22601020 to J&G Electric in the amount of \$77,321.86 for boring services to provide primary power for the Grandstands at the National

Championship Air Races. The boring was procured through State Price Agreement 40-00000-24-00074, and the purchase was funded through the State Tourism Grant. Xcel provided the primary power service, allowing for expanded service over time. Power to the Grandstands was required for the event, as per the City of Roswell's agreement with RARA, approved on February 13th, 2025.

Mac noted that the installation was required under the City's agreement with the Reno Air Racing Association (RARA), which obligated the City to provide adequate electrical service to accommodate public seating and vendor operations. Timing for the work was constrained by both the FAA approval and Xcel's availability, requiring rapid coordination to meet the event deadline.

Council members discussed the timeline and communication process, with Councilor Heldenbrand expressing concern about receiving ratifications after the fact and emphasizing the importance of transparency and adherence to standard purchasing procedures.

Staff acknowledged the compressed schedule imposed by the receipt of the state grant and the Air Races' national event timeline. They explained that procurement steps followed legal requirements but occurred within a condensed timeframe due to construction sequencing and coordination with schedules.

Councilor Halvorson made a motion to ratify PO #22601020 to J&G Electric for \$77,321.86 in boring services to provide primary power for the Grandstands at the National Championship Air Races, adding it to the regular city council agenda. Councilor Cavin seconded the motion. Chairman Corn and Councilor Heldenbrand voted against the motion. The motion passed 3-2.

4. Requesting ratification of PO #22600829 to J&G Electric in the amount of \$252,442.57 for electrical equipment to provide power for the Grandstands at the National Championship Air Races. Presented by Mac Rogers.

This request ratifies PO #22600829 to J&G Electric in the amount of \$252,442.57 for electrical equipment to provide power for the Grandstands at the National Championship Air Races. The equipment was procured through State Price Agreement 40-00000-24-00074, and the purchase was funded through the State Tourism Grant. Xcel was able to extend primary power from another location within the airfield to the event site. Power to the Grandstands was required for the event, as per the City of Roswell's agreement with RARA, approved on February 13, 2025.

Mac emphasized that the power improvements were essential to hosting the national event, as they ensured sufficient and safe electrical capacity for the grandstands, vendors, and event operations. The installation also provides long-term benefits to the City, leaving a permanent utility connection that can be utilized for future large-scale airfield events.

During the discussion, Councilor Heldenbrand expressed continued concern regarding post-procurement ratifications. He noted that while he supported the event and recognized its economic benefit to the community, he preferred purchase authorizations to occur before work began whenever possible.

Mac clarified that the timing of the work was dictated by the receipt of grant funds, approval of FAA, coordination schedule with Xcel Energy and the construction timeline for the event, requiring immediate execution to meet the event deadline. All city and state procurement requirements were adhered to.

Councilor Heldenbrand made a motion for the ratification of PO #22600829 to J&G Electric in the amount of \$252,442.57 for electrical equipment to provide power for the Grandstands at the National Championship Air Races to be placed on the regular city council agenda. Councilor Cavin seconded the motion. Chairman Corn and Councilor Heldenbrand voted against the motion. The motion passed 3-2.

5. Requesting ratification of PO #22600879 to Desert West Enterprises in the amount of \$171,992.72 for paving the entry drop-off and walkway to the National Championship Air Races. Presented by Mac Rogers.

This request is for the ratification of PO #22600879 to Desert West Enterprises in the amount of \$171,992.72 for paving the entry drop-off and walkway with micro surfacing for the National Championship Air Races. The construction of the walkway was procured through Eddy County RFP #24-02, and the State Tourism Grant funded the purchase. This provided the main entry walkway with ADA access and a vehicle drop-off area, as required by the City of Roswell's agreement with RARA, approved on February 13, 2025.

Mac stated that the compressed construction timeline required work to be completed before the start of the Air Races, with final surfacing and striping completed in mid-September.

The committee discussion focused on the use of Tourism Grant funds, procurement transparency, and communication with the governing body during project execution. Councilor Heldenbrand reiterated his concern about items being brought forward for ratification after completion. Mac acknowledged the concern and confirmed that all purchases followed city and state procurement requirements.

Council members also recognized the importance of the event to local economic development and tourism visibility, noting that while the compressed timeline created administrative challenges, the completed improvements will benefit future events at the Air Center.

Councilor Heldenbrand made a motion for the ratification of PO #22600879 to Desert West Enterprises in the amount of \$171,992.72 for paving the entry drop-off and walkway to the National Champion Air Races to be placed on the regular city council

agenda. Councilor Halvorson seconded the motion. Chairman Corn and Councilor Heldenbrand voted against the motion. The motion passed 3-2.

6. Consider approval of a budget adjustment and purchase order increase in the amount of \$20,970 for conservation of stone and metal collection items by The Conservation Center. Presented by Caroline Brooks

The Conservation Center (TCC) specializes in large-scale disaster recovery for collections. TCC assisted the museum with evacuating the collection after the flood, and approximately 5,300 items were transported to their facility in Chicago for potential conservation treatment. The multi-phase conservation process is expected to take approximately 3 to 4 years to complete. Over the coming months, TCC will provide treatment proposals and costs for review by museum staff. The grouping in this proposal includes recently appraised metal and stone items for which there is a gap between the value and treatment cost. Staff recommend that TCC proceed based on the objects' value to the collection and the ability to cover the gap using fine art insurance claim funding. Items not included in this proposal are recently appraised stone and metal items that a) have values above the treatment costs and the insurance is directly paying for the conservation, and b) items for which there is a large gap between the conservation fee and value, and the items will be tabled until funding is available or conservation will be pursued through alternative means. A payout from the insurance claim will be made for these latter items and will contribute toward the funding of the selected items that will move forward.

A sole source for this project is on file with the State of New Mexico, in accordance with procurement requirements for using a sole source vendor. The Conservation Center is the only vendor identified with the capacity to handle the volume of items in need of conservation.

Caroline confirmed that additional groupings of objects—such as textiles, paintings, and works on paper—will be presented for approval as subsequent conservation phases are developed. She added that insurance reimbursements would continue to offset a portion of the City's costs and that periodic updates will be provided to the Committee.

Councilor Johnson made a motion to recommend the approval of a budget adjustment and purchase order increase in the amount of \$20,970 for the conservation of stone and metal collection items by The Conservation Center, to be placed on the consent agenda. Councilor Halvorson seconded the motion. The motion passed 5-0.

7. Consider approval of a budget adjustment in the amount of \$127,934.00, inclusive of a lease extension for the current location for \$21,794; repairs, maintenance, and utilities estimated at \$45,000; and approval of a purchase order for \$61,140 for the lease of the Air Center property for collections storage and staff. Presented by Caroline Brooks.

The museum collection that remained in Roswell was displaced following the October 2024 flood. Property was acquired on a monthly lease with a waived fee for the past 11

months to accommodate the museum as part of a philanthropic contribution to the recovery efforts. Due to business needs, the property is no longer available with a fee waiver, and the required rent is cost-prohibitive, necessitating a new location.

This request is to cover a two-month extension at the current location in the amount of \$21,794 (a reduced rate) and \$61,140 for a 12-month lease of an air center property from December 1, 2025 through November 30, 2026 (\$5,095/month at \$7.50/sq. ft.) and to be considered for continuation on an annual basis as needed. The new property lease is for the property as is, and utilities, repairs, and maintenance would fall under the department's responsibilities. Estimated expenses of \$45,000 would cover central alarm, HVAC repairs and duct cleaning, light bulb replacement, sprinkler system and fire alarm maintenance and repairs, fire extinguisher, pest control, cleaning services, general maintenance, and utilities.

Caroline explained that the Air Center is currently having the HVAC system inspected to determine what needs to be done to get the building up and running. The Air Center will be responsible for significant repairs to the building.

Councilor Heldenbrand made a motion for the recommendation for the approval of a budget adjustment up to \$127,934.00 inclusive of a lease extension for current location for \$21,794; repairs, maintenance and utilities estimated at \$45,000; and approval of a purchase order for \$61,140 for lease of Air Center property for collections storage and staff to be placed on the regular city agenda. Councilor Cavin seconded the motion. The motion passed 5-0.

8. Consider approval of a budget adjustment in the amount of \$108,066.38, inclusive of a lease extension for the current location for \$10,897; central alarm supplies and service estimated at \$4,500; and approval of a purchase order for \$92,669.38 for the lease of commercial property for collections storage and staff. Presented by Caroline Brooks

The museum collection that remained in Roswell, along with the staff, was displaced following the October 2024 flood. Property was acquired on a monthly lease with a waived fee for the past 11 months to accommodate the museum as part of a philanthropic contribution to the recovery efforts. Due to business needs, the property is no longer available with a fee waiver, and the required rent is cost-prohibitive, necessitating a new location.

This request is to cover a one-month extension at the current property for \$10,897 (a temporarily reduced rate) and \$92,669.38 for a 12 ½ month lease of property located on 2nd Street from October 15, 2025 through October 31, 2026 (\$7,413.55/month at \$12.50/sq. ft.) and to be considered for continuation on an annual basis. The lease includes utilities and cleaning. \$4,500 is requested to cover supplies and monitoring for a central alarm system, a requirement of the fine art insurance.

No motion was made for the recommendation for the approval of a budget adjustment in the amount of \$108,066.38, inclusive of a lease extension for the current location for \$10,897; central alarm supplies and service estimated at \$4,500; and approval of a purchase order for \$92,669.38 for the lease of commercial property for collections storage and staff. The item died due to the lack of a motion.

9. Considering recommending the adoption of Resolution 25-XX approving a budget adjustment for the fiscal year ending June 30, 2026. Presented by Toni Gomez.

The New Mexico Department of Finance Administration (DFA) requires approval of a budget adjustment when increasing revenues and/or expenses in the approved budget. The finance department is requesting a budget adjustment for line items in Exhibit "A". These adjustments are for various grants, transfers, and departments.

Toni asked that the \$103,566.38 and \$4,000 of expenditures for Agenda Item 8 be removed due to the lack of a motion on the item. With this change expenditures total \$2,678,655.77.

Councilor Heldenbrand made a motion for the recommendation of the adoption of Resolution 25-XX approving a budget adjustment for the fiscal year ending June 30, 2026, to be placed on the consent agenda with revenues totaling \$4,855,269.31 and expenditures totaling \$2,678,655.77. Councilor Halvorson seconded the motion. The motion passed 5-0.

FOR THE RECORD: Chairman Corn turned the meeting over to Vice Chairman Cavin for the discussion of the following item.

10. Considering recommending the adoption of Resolution 25-XX approving the presentation of the budget to the city council. Presented by Councilor Corn.

The budget is the most crucial vote of the City Council every year. The City Council aims to conduct an open, fair, and honest debate on the Budget with complete transparency. It is the City Manager who is responsible for presenting the City Budget to the City Council. The City Council must give its advice and consent by passing the preliminary Budget and sending it to the State of New Mexico by June 01. The final Budget must be passed before being sent to the State of New Mexico, after all cash balances have been accounted for.

Councilor Heldenbrand asked Chad if this Resolution provided a reasonable timeline for the budget planning process. Chad responded that this was an unreasonable request and would not allow adequate time to complete the budget planning process. Toni presented the DFA recommendation for the budget process timeline.

Councilor Heldenbrand made a friendly amendment to the Resolution so that the last sentence will read. The final preliminary budget shall be passed by the Finance

Committee at its May meeting and sent for a vote of the Governing Body in May as a normal course of business.

Councilor Halvorson made a friendly amendment to the Resolution so that the fourth WHEREAS will read, the City Council must give its advice and consent by passing the preliminary Budget and sending it to the State of New Mexico by June 1: and,

Councilor Halvorson also made a friendly amendment to the Resolution so that the sentence will read, The City Manager shall send the proposed budget to the Infrastructure, Legal, and Public Safety committees following the March City Council meeting.

Councilor Heldenbrand made a motion to recommend the adoption of Resolution 25-XX as amended, approving the presentation of the budget to the city council on the consent agenda. Councilor Corn seconded the motion. The motion passed 5-0.

FOR THE RECORD: The meeting was turned back over to Chairman Corn.

10A. Approval of a budget adjustment for Capital Projects that were approved for the Fiscal Year 2026 in the amount of \$399,488 to the Landfill and \$1,1069,358 to Collections, totaling \$1,468,846. Presented by Debbie Reyer.

Capital projects were approved in the budgeting process for FY26, but no money was allocated to the budget lines. We are asking for:

From collections:

- \$920,158 for the two (2) new Side-Load trucks
- \$149,200 for Roll-Off Containers

For Landfill

- \$338,456 for replacing the HVAC system for the Admin Office/Shop, plus other miscellaneous infrastructure improvements
- \$61,032 for the rebuild of the John Deere grader

Total Collections \$1,069,358 and Landfill \$548,688 for a total of \$1,468,846.

Committee discussion emphasized the need for timely completion of capital projects and the importance of ensuring that all approved items from the FY26 budget are adequately reflected in financial records at the end of the fiscal period.

Councilor Johnson made a motion for the approval of a budget adjustment for Capital Projects that were approved for the Fiscal Year 2026 in a total amount of \$399,488 to the Landfill and \$1,069,358 to Collections, totaling \$1,468,846. Councilor Cavin seconded the motion. The motion passed 5-0.

APPROVAL OF MINUTES

11. Consider approval of the September 04, 2025, Regular Finance Committee Meeting Minutes. Presented by Tammi Smith.

Councilor Halvorson made a motion for the approval of the September 04, 2025, Regular Finance Committee Meeting Minutes. Councilor Heldenbrand seconded the motion. The motion passed 5-0.

NON-ACTION ITEMS

12. Golf

Report submitted as it stands, no questions.

13. Visitor Center

Report submitted as it stands, no questions.

14. Lodgers Tax Report

A corrected report was provided at the meeting.

15. Public Affairs

Report submitted as it stands, no questions.

16. Museum

Report submitted as it stands, no questions.

19. Roswell Public Library

Councilor Heldenbrand asked if the Library would be closed during the new tile construction. Enid stated the Library will be closed from November 17 to December 1. Staff will be there to pull items for citizens.

20. Cannabis Excise Tax and Gross Receipts Tax

There was a discussion among committee members and staff on the low amount received in the prior month versus the high amount received in the current reporting month.

PUBLIC PARTICIPATION

No public participation.

ADJOURN

The meeting adjourned at 4:29 PM.