

**VILLAGE OF QUESTA
SPECIAL COUNCIL MEETING MINUTES
THURSDAY, JANUARY 7, 2016
VILLAGE OF QUESTA COUNCIL CHAMBERS
6:00PM**

I. CALL TO ORDER BY MAYOR MARK L. GALLEGOS

Mayor Mark Gallegos called the meeting to order at 7:09pm.

II. ROLL CALL

Mayor Gallegos asked Village Clerk Renee Martinez to take roll.

Those present were:

Councilor Brent Jaramillo

Councilor Lawrence Ortega was present via telephone.

Councilor Julian Cisneros and Councilor Romero were not present.

Ms. Martinez stated that a quorum was present.

Also present:

Administrator Loretta Trujillo

Village Clerk Renee Martinez

Finance Director Karen Shannon

Attorney Charles Rennick

A motion to recess and reconvene the meeting to Tuesday, January 12, 2016 at 6:00pm was made by Councilor Jaramillo. Seconded by Councilor Ortega.

In Favor: All

Opposed: None

To recess and reconvene the meeting to Tuesday, January 12, 2016 at 6:00pm at the Village of Questa Council Chambers located at 2500 Old State Road 3. Motion Carried.

The meeting was recessed at 7:10pm.

**RECONVENE OF JANUARY 7, 2016 SPECIAL MEETING
VILLAGE OF QUESTA COUNCIL CHAMBERS
TUESDAY, JANUARY 12, 2016
6:00PM**

Mayor Gallegos called for a motion at 6:19pm to reconvene the January 7, 2016 Special Meeting.

Motion: Councilor Jaramillo

Second: Councilor Ortega

Village of Questa Special Meeting
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In Favor: All
Opposed: None

To reconvene the meeting of January 07, 2016. Motion Carried.

IV. APPROVAL OF AGENDA

Mayor Gallegos requested the Council to consider amending the agenda as follows:

- Item VIII D to move up to VIII A
- Item VIII B & C moved down to IX A & B
- Item IX A, B, C & D moved to VIII B

Motion: Councilor Jaramillo

Second: Councilor Ortega

In Favor: All
Opposed: None

To approve the agenda as amended. All voted yes. Motion Carried.

VIII. ACTION ITEMS - (Discussion, Consideration and Action)

A) Approval of Lighthouse Creative, Inc., Proposal

Mr. Malaquias Rael informed the Governing Body that the proposal is at \$40,000.00. The only change is the time period from 8 weeks to possibly 11 weeks to get the final product.

Councilor Ortega inquired is there was a proposed location for the facility. Mr. Rael stated that there have been a couple of locations discussed but nothing final. Councilor Ortega asked if the Village would be involved in the design and planning. Mr. Rael stated yes.

Councilor Jaramillo asked Mr. Phillippe Chino, Economic Development Director, if he could elaborate on some funding source ideas. Mr. Chino stated that they are going to begin talking about a national capital endowment campaign.

Motion: Councilor Ortega

Second: Councilor Jaramillo

In Favor: All
Opposed: None

To approve the Lighthouse Creative, Inc. proposal. All voted yes. Motion Carried.

B) Continuation of 2016 Legislative Priorities

Mayor Gallegos stated that Mr. Gabriel Cisneros could not be present this evening. He stated that he believes that the priorities discussed at the previous meeting probably haven't changed. Councilor Ortega stated that he believes we should stick with the priorities discussed at the December 15, 2015 meeting.

C) Project Update

Mayor Gallegos suggested that we table this item until Ms. Trujillo is present. Councilor Ortega stated that a proposed schedule of completion for all projects was requested last meeting from Ms. Trujillo and he would also like to see that.

A motion to table this item was made by Councilor Jaramillo, seconded by Councilor Ortega.

In Favor: All

Opposed: None

To table this item until Administrator Loretta Trujillo is present. All voted yes. Motion Carried.

D) Possible Contract with Mr. Anthony Martinez – Regarding Wastewater Treatment Plant

Mayor Gallegos stated that as Council is aware, Mr. Arwin Vasquez has resigned. The Village of Questa Waste Water Treatment Plant requires a Level II Waste Water Operator. Mr. Martinez will contract with the Village for 6 months at about \$19,900.00. Mr. Martinez is the only applicant who applied. We are asking that Council approve the Administrator to move forward with the contract. Councilor Ortega inquired if we would be contracting with him as an individual or with CH2M HILL. Mayor Gallegos stated that we would be contract him as an individual. Councilor Jaramillo stated that Mr. Martinez is no longer with CH2M HILL and is doing some consulting work.

It was agreed that Ms. Trujillo could move forward with this contract and bring it for approval.

E) Possible Contract with Ms. Alberta Bouyer – Regarding Marketing & Tourism Coordinator

Mayor Gallegos stated that he and Ms. Trujillo have gone to the Fund Board to request \$20,000.00 annual salary for Ms. Bouyer. Mayor Gallegos stated that Ms. Bouyer has represented the Village well in the past and believes she is a great asset to the Village. Mr. Malaquias Rael stated that the board would like to see more engagement with local businesses and events. Also a monthly or quarterly numbers report to the board would be helpful. Also the board is thinking about funding \$15,000.00 and having the Village put in the remaining \$5,000.00. Mr. Rael stated that the budget is getting tighter as more projects come in. The decision is ultimately up to the board but would like to see the Village budget some tourism monies. Councilor Ortega asked who is structuring this contract. Mayor Gallegos stated that Ms. Trujillo is.

It was agreed that Ms. Trujillo move forward with discussions with Ms. Bouyer.

***At this time, Mayor Gallegos requested that the Council consider amending the agenda by moving up item XI Matters from Attorney up to IX A.

Motion: Councilor Jaramillo

Second: Councilor Ortega

In Favor: All

Opposed: None

To approve amend the agenda with the above change. All voted yes. Motion Carried.

XI. MATTERS FROM ATTORNEY –

A) Taos Mountain Energy Foods Update

Village Attorney Charles Rennick informed the Governing Body that there are three separate items that are up for approval regarding Taos Mountain Energy Foods.

Currently the Village is contributing a reduced rent, gas line and financial management. What is changing is that Economic Development Department (EDD) is requesting a guarantee from the Village for part of the improvements to the building which the Village owns. In order to comply with LEDA, the Village has to approve the Guaranty. What is being requested here is for the Village to guarantee the improvements that will come from the grant money into the building, by guaranty; meaning that if Taos Mountain Energy defaults on this by not producing jobs (15 jobs in five years) then EDD can request the Village to repay the amount of money that went into the improvements; at that point the Village is still whole, still getting value for its money. The way it is being proposed, what EDD agreed to, is that the Village will issue a guaranty in favor of EDD in the amount of the improvements, the first \$150,000.00 of that guaranty will be limited to a fund that will be used to secure the money. The \$25,000.00 above that the Village would be responsible for.

What the Village is being asked to authorize is up to \$175,000.00 in building improvements which we shifted over from the part of the grant money that goes into equipment. The equipment is secured by the security interest in the equipment for EDD. Some of the money gets shifted over to building improvements secured by the guaranty.

Mr. Rennick stated that the Ordinance will have to be approved first, which authorize the up to \$175,000.00 in guaranty, then the Guaranty must be approved and then the Second Amendment to the PPA agreement that says in the event that there are any questions about is being shifted or changed from the original proposal (\$114,000.00 to up to \$175,000.00).

Mr. Brooks Thostenson, co-founder of Taos Mountain Energy informed the Governing Body that his goal is to shed some light on the process from A to Z. He stated that the building needs a lot of work to accommodate the specialized equipment needed which leads to specialized contracting work. He stated they learned about this building back in 2014. They chose Living Design Group architectural firm out of Taos, they are well respected and have a great reputation. They went through the formal bid process and got three bids. The bid amounts came in at a broad range. The bid from AIC came in at \$240,310.00; RM Construction at \$208,745.67 and the lowest from Blue Sky Builders at \$175,250.00. He stated that he has been working on getting this cost down for the Village as well as themselves. They got the price down to \$148,970.64 which does not include GRT's. Mr. Thostenson stated that he believes it is very important to focus on why we are all here. We want to change the economic landscape of Questa, New Mexico. That is why we are all here. He stated that they are extremely excited about opening business here.

Councilor Ortega asked since the price went from the \$175,250.00 down to the \$148,970.64, were there items deleted? Mr. Thostenson stated that there were some items deleted. They cut out only what they had to and it brought down the price significantly. Councilor Ortega asked about if the road and the loading dock was part of the original bid. Mr. Thostenson stated that they were not in the original bid. If we would have included it the price would have gone up to \$226,658.00. Councilor Ortega asked that if the price should go up from the \$148,970.64 to the \$175,250.00, it will be documented somewhere. Mr. Thostenson stated that there will be a definite increase because the \$148,970.64 does not include the tax.

Councilor Jaramillo asked when the work will begin. Mr. Thostenson stated that they will probably have the notice to proceed sometime next week. They are ready to get going. Mayor Gallegos informed Mr. Thostenson that the Village staff will begin to push the piles of dirt out and then we will get a rig in there to do a test run. Mayor Gallegos stated that he feels confident that the way the ground is right now there's plenty of opportunity to get the equipment in.

B) Approval of **Second Amendment** to Project Participation Agreement (PPA) – Taos Mountain Energy Foods, Inc.

Councilor Ortega asked if this was the Second Amendment. Mr. Rennick stated yes. Councilor Ortega asked Ms. Martinez to clarify this on the minutes. Mr. Rennick stated there is one correction to be made on Page 5, Section 5, line 4 - Strike obligation phrase.

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Motion: Councilor Jaramillo
Second: Councilor Ortega

In Favor: All
Opposed: None

To approve the second amendment to the PPA with the correction referred to above. All voted yes. Motion Carried.

C) Approval of Guaranty – Taos Mountain Energy Foods, Inc.

Councilor Ortega inquired about what the guaranty was about. Mr. Rennick stated that the Village will grant the guaranty to the State of NM EDD in an amount not to exceed \$175,000.00. For the building improvements, the first \$150,000.00 of which is restricted to the revenues derived from the rent.

Motion: Councilor Jaramillo
Second: Councilor Ortega

In Favor: All
Opposed: None

To approve the Guaranty regarding Taos Mountain Energy Foods, Inc. All voted yes. Motion Carried.

X. FINANCIALS – Ms. Karen Shannon

A) Approval of Unpaid Vouchers

Motion: Councilor Ortega
Second: Councilor Jaramillo

In Favor: All
Opposed: None

To approve the unpaid vouchers. All voted yes. Motion carried.

V. APPROVAL OF MINUTES – December 15, 2015 Regular Meeting

Motion: Councilor Ortega
Second: Councilor Jaramillo

In Favor: All
Opposed: None

To approve the December 15, 2015 Meeting Minutes as presented. All voted yes. Motion carried.

***At this time Mayor Gallegos asked the Council to table Item IX A - Village of Questa Ordinance 2015-145 - Taos Mountain Energy Foods, Inc. until 7:45pm.

Motion: Councilor Jaramillo
Second: Councilor Ortega

Village of Questa Special Meeting
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In Favor: All
Opposed: None

To approve the tabling of Item IX A - Village of Questa Ordinance 2015-145 - Taos Mountain Energy Foods, Inc. until 7:45pm. All voted yes. Motion Carried.

XII. MATTERS FROM ADMINISTRATOR – Ms. Loretta Trujillo

Ms. Trujillo was not present.

XIII. MATTERS FROM MAYOR AND COUNCIL

There were no matters.

***At this time Mayor Gallegos requested a recess until 7:45pm.

***At 7:45pm Mayor Gallegos asked the Governing Body to reconvene the January 07, 2016 meeting that was recessed earlier.

IX. A) Village of Questa Ordinance 2015-145 - Taos Mountain Energy Foods, Inc.

Motion: Councilor Jaramillo
Second: Councilor Ortega

Roll Call:
Councilor Lawrence Ortega YES
Councilor Brent Jaramillo YES
Councilor Miguel Romero YES

To approve Village of Questa Ordinance 2015-145 - Taos Mountain Energy Foods, Inc. All voted yes. Motion carried.

XIV. ADJOURNMENT

Motion: Councilor Ortega
Second: Councilor Jaramillo

In Favor: All
Opposed: None

There being no further business to discuss, the meeting was adjourned at 7:47pm.

ATTEST:

APPROVED:

Renee Martinez, Village Clerk

Mark Gallegos, Mayor