

VALENCIA COUNTY BOARD OF COMMISSIONERS

PUBLIC HEARING / BUSINESS MEETING

APRIL 18, 2018

PRESENT	ABSENT
Jhonathan Aragon, Chairman	
Charles D. Eaton, Vice-Chair	
David A. Hyder, Member	
David Carlberg, Member	
Helen Y. Cole, Member	
Danny Monette, County Manager	
Adren Nance & Dave Pato, County Attorneys	
Peggy Carabajal, County Clerk	
Press and Public	

1) The meeting was called to order by Chairman Aragon at 5:19 P.M.

2) Ms. Tasha Young led the Pledge of Allegiance.

3) Approval of Agenda

Commissioner Carlberg moved for approval. Seconded by Commissioner Cole. Roll call vote. Commissioner Carlberg voted yes. Commissioner Hyder voted yes. Commissioner Cole voted yes. Commissioner Eaton voted yes. Chairman Aragon voted yes. Motion carried 5-0.

4) Approval of Minutes: April 4, 2018- Bond Workshop

April 4, 2018- Business Meeting

Commissioner Hyder moved for approval of both sets of minutes. Seconded by Commissioner Carlberg. Roll call vote. Commissioner Carlberg voted yes. Commissioner Hyder voted yes. Commissioner Cole voted yes. Commissioner Eaton voted yes. Chairman Aragon voted yes. Motion carried 5-0.

DISCUSSION (NON-ACTION) ITEM(S):

5) Commissioners, Committees and Reports.

Commissioner Cole requested that a moment of silence be held for Village of Los Lunas Councilwoman Paulette Montoya who recently passed away.

PRESENTATION(S):

6) Presentation of FY17 Audit. Presenter: *The Accounting Firm of Axiom Certified Public Accountants and Business Advisors LLC*; Sponsor: *County Manager for Regular County Business*

Ms. Trujillo introduced Tyler Marshall with Axiom CPA who was the main lead on this year's audit. Mr. Marshall stated that the county received an un-modified opinion this year. In regards to the findings stale dated checks was repeated, accounts payable accruals were repeated, cash disbursements transaction cycle was repeated as well as expenditures in excess of the budgeted amount. Mr. Monette stated that the repeated findings will stay on the audit for a period of time. Mr. Marshall stated that even when something is taken care of it may take another full cycle to fall off. Some new findings include restatement of prepaid balances that had not been cleared out, IT general controls. Some compliance findings include the repeated expenditures in excess of budgeted amount, stale dated checks, late remittances for Retiree Healthcare, fringe benefits regarding tuition reimbursement as well as a late audit submission. Mr. Marshall thanked the county for allowing Axiom to serve as the auditor this year. Commissioner Aragon stated in the past the county has had some bad audits but in the recent years some issues have been taken care of and the county has come to good standings with the audits, it's good to see that we are staying on track. (See Exhibit A)

PUBLIC HEARING ITEM(S):

No items to present.

Board Convenes as Indigent Board

Commissioner Cole moved for approval. Seconded by Commissioner Hyder. Roll call vote.

Minutes of April 18, 2018 Public Hearing/Business Meeting

Commissioner Carlberg voted yes. Commissioner Hyder voted yes. Commissioner Cole voted yes. Commissioner Eaton voted yes. Chairman Aragon voted yes. Motion carried 5-0.

7) Approval of Indigent Report. Presenter: *Maria Garcia*; Sponsor: *County Manager for Regular County Business*

Ms. Garcia presented the indigent report and asked for approval of \$73,705.57 she also stated that the indigent fund balance as of March 31st was \$517,928.72. Ms. Trujillo stated that the indigent fund balance includes a cd that was cashed out so there is no additional money, the only money is what is in the balance.

Commissioner Cole voted yes. Seconded by Commissioner Carlberg. Roll call vote. Commissioner Carlberg voted yes. Commissioner Hyder voted yes. Commissioner Cole voted yes. Commissioner Eaton voted yes. Chairman Aragon voted yes. Motion carried 5-0. (See Exhibit B)

Board Reconvenes as Board of County Commissioners

Commissioner Cole moved for approval. Seconded by Commissioner Eaton. Roll call vote. Commissioner Carlberg voted yes. Commissioner Hyder voted yes. Commissioner Cole voted yes. Commissioner Eaton voted yes. Chairman Aragon voted yes. Motion carried 5-0.

ACTION ITEM(S):

8) Acceptance and Approval of the FY 2016-17 Audit. Presenter: *Loretta Trujillo*; Sponsor: *County Manager for Regular County Business*

Ms. Trujillo asked for commission approval and acceptance of the audit that was presented earlier in the meeting. She stated that this audit was a challenge as it took place when her department was short staffed.

Commissioner Hyder moved for approval. Seconded by Commissioner Carlberg. Roll call vote. Commissioner Carlberg voted yes. Commissioner Hyder voted yes. Commissioner Cole voted yes. Chairman Aragon voted yes. Commissioner Eaton was not present for the vote. Motion carried 4-0. (See Exhibit C)

9) Approval of Accounts Payable and Payroll Disbursements. Presenter: *Loretta Trujillo*; Sponsor: *County Manager for Regular County Business*

Ms. Trujillo presented accounts payable for the period of March 24th-April 6th and payroll for March 30th and asked for approval.

Commissioner Cole moved for approval. Seconded by Commissioner Carlberg. Roll call vote. Commissioner Carlberg voted yes. Commissioner Hyder voted yes. Commissioner Cole voted yes. Chairman Aragon voted yes. Commissioner Eaton abstained. Motion carried 4-0. (See Exhibit D, E)

10) Discussion of a possible action Preliminary Budget of FY 19. Presenter: *Loretta Trujillo*; Sponsor: *County Manager for Regular County Business*

Ms. Trujillo stated that the budget process that was taken this year allowed each department ample time to put in their requested budget, their requests were then compiled into the system. Depending on the directives issued by the board she will meet with directors on how to balance the budget. Ms. Trujillo stated that she would like to remind the commission that as the finance director she facilitates the budget process, each department enters the information that is required and it is her responsibility to work the numbers with the directors and county manager then present a balanced budget. Ms. Trujillo stated that based on all the departments requests draft #1 of the budget shows the General Fund having a deficit of over \$3,600,000.000. Expenditures in the amount of over \$13,600,000.00 and transfers out in the amount of over \$5,600,000.00 are shown for a total of \$19,239,073.00 with revenues totaling \$17,046,097.00.

3/12th of the budgeted expenditures need to go into reserve requirement which is around \$3,400,000.000. Ms. Trujillo presented the board with a FY18 to FY19 budget comparison, from one fiscal year to the other there has been a decrease in revenues and an increase in expenses. There are two accounts showing a deficit and those accounts are the Property Valuation and Adult Detention funds. The detention center will now be responsible for paying the full amount of the medical contract. Commissioner Carlberg asked where are the savings from the transfer station. Ms. Trujillo stated that the GF only supplemented the transfer station by \$31,000.

Minutes of April 18, 2018 Public Hearing/Business Meeting

Ms. Benavidez stated that the \$30,000 is based off of the 6 months from July through December when the county still operated Conejo. Commissioner Cole stated that money was still saved by employee salaries and benefits, the multi-line insurance, operational costs so it has to be more than \$30,000.00. Ms. Benavidez stated that there is the GRT that can only be used towards solid waste. Commissioner Cole stated that she doesn't understand why the county is so much in the red with all the cost savings that have been done and the GRT from Facebook and the raised franchise fees. Ms. Trujillo stated that this first draft is a wish list so the second draft of the budget will be a lot more different. Commissioner Eaton asked to be provided with a break down for the \$17 million revenue stream. Ms. Trujillo asked for commission direction on how to proceed with the budget process. Mr. Monette stated that meetings will be scheduled with all departments. Commissioner Eaton asked if there is a plan for the board to sit with each department and hear their requests. Mr. Monette stated that a workshop can be scheduled for May 1st or 2nd. Ms. Trujillo stated that the budget needs to be approved by the May 16th meeting because it needs to be turned into DFA by June 1st. Mr. Monette stated that a budget workshop will be scheduled for May 1st at 10:00 A.M. (See Exhibit F)

11) Consideration to approve Resolution 2018-___: Intra-Fund Budget Adjustment. Presenter: *Loretta Trujillo*; Sponsor: *County Manager for Regular County Business*
Ms. Trujillo presented a budget adjustment and asked for approval.

Commissioner Carlberg moved for approval. Seconded by Commissioner Hyder. Roll call vote. Commissioner Carlberg voted yes. Commissioner Hyder voted yes. Commissioner Cole voted yes. Commissioner Eaton voted yes. Chairman Aragon voted yes. Motion carried 5-0.

County Clerk Carabajal announced Resolution 2018-30. (See Exhibit G)

12) Consideration to approve a Proclamation for Motorcycle Awareness Month. Presenter: *Commissioner Cole*; Sponsor: *Commissioner Cole*
Commissioner Cole read the proclamation proclaiming May as Motorcycle Awareness Month.

Commissioner Cole moved for approval. Seconded by Commissioner Hyder. Roll call vote. Commissioner Carlberg voted yes. Commissioner Hyder voted yes. Commissioner Cole voted yes. Commissioner Aragon voted yes. Chairman Eaton voted yes. Motion carried 5-0. (See Exhibit H)

13) Consideration of Issuance of RFP for hospital/24-hour Emergency Healthcare Facility for Valencia County. Presenter: *Rustin Porter/Danny Monette*; Sponsor: *County Manager for Regular County Business*

Mr. Pato stated several months ago the board directed that administration get with representatives from the incorporated municipalities to see what medical services are needed and what they would like to see incorporated in a 24-hour emergency room/hospital. There were several meetings held with the representatives, a draft solicitation was presented to the board at the workshop held earlier. At the workshop members of the public expressed their concerns such as distribution of the mill levy funds and the healthcare facilities contract that is incorporated into the RFP. Mr. Pato suggested that the board go through the evaluation criteria and provide weight to each of the items as well as discuss the distribution of the mill levy funds.

Commissioner Cole stated that her vision of a hospital is a 24-hour facility where patients can be stabilized then taken to Albuquerque if needed, the desirables are just additives. The board did not put the RFP together it was drafted by representatives from the municipalities. Also the mill levy funds are for operational costs only not for building.

Anne Jones stated that she would take off a number of items from the evaluation criteria as they won't add to the quality.

Duana Draszkievicz stated that she is concerned that there is no reference to mental health services.

Del Conroy stated he is concerned with issuing the RFP as drafted, there are a number of things listed that will not happen so it creates false issues, as much as a hospital is needed it's important to step back and really nail down what is needed in order to issue a great RFP.

Minutes of April 18, 2018 Public Hearing/Business Meeting

Nick Blea stated that there is some language that needs to be corrected, the impermissible/permissive use of funds needs to be defined, the county needs to slow down and hire a consultant to assist them with the process. The hospital in Socorro gets \$1 million from the county each year but is still losing \$500,000.

Commissioner Cole stated that residents are concerned and would like the county to take a step back but there has already been an RFP issued similar to this.

Mr. Pato replied that is correct, the county does not try and reinvent the wheel regarding RFP's, the county has a standard form of RFP and in regards to the evaluation criteria the county's CPO Rustin Porter reviewed Belen's evaluation criteria and incorporated that as well as the suggestions from the municipality representatives. The board can add, remove or modify any of the evaluation criteria. In regards to the Healthcare facilities contract it is the same that the county incorporated into Belen's MOA as well as the same that was approved by the Court of Appeals, it has been litigated through.

Mike Jones stated that what needs to be built is something that can be sustainable such as a micro-hospital, it is also important that the facility be CMS certified.

Mr. Pato stated that the mill levy funds are limited to maintenance/operation of a 24-hour healthcare facility. By issuing the RFP the county hopes to receive several offers from those that do understand healthcare economics. He recommends that the board does leave in the desirables so offerors can see what is important to the county, the board can also incorporate the CMS certification into the requirements if they so choose.

Commissioner Eaton stated that the board as a governing body has the statutory requirements that whatever is done with the \$25 million meets the requirements of the Hospital Funding Act. Some of the desirables listed may be farfetched in terms of economics, if a provider can offer those services then great but it's premature in saying that it's going to be an advanced level of care facility.

Mr. Pato recommended that the restriction of having built a hospital in the last 10 years be removed.

Mr. Henderson stated the RFP needs to meet the needs of the county, one that will facilitate the type of structure that the county needs. The RFP also needs to be one that providers will come forward and bid on. The county needs to continue to work on the RFP to refine it as well as reach out to people in the community as a resource.

Commissioner Aragon asked if this RFP was compared to other RFPs that have been issued by other counties that have been through this process and have hospitals.

Mr. Pato replied he would have to defer to Mr. Porter regarding that. Mr. Pato stated that he understands that the board wants a facility that meets the requirements of the hospital funding act. In respect to what offerors are willing to come forward and place offers on in the Q & A portion and the pre-proposal conference there will be discussion with the perspective offerors and it gives opportunity to hear what they have to say and incorporate those changes into an amended RFP which can be issued after its presented to the board. This is just a starting point, there will be additional dialogue.

Commissioner Aragon stated that it's hard to follow on the points system how all the requirements are broken up when they should be a sub-requirement of the Hospital Funding Act.

Mr. Pato stated that what is needed from the perspective offerors is the commitment to provide the services from the Hospital Funding Act. Points can be awarded on experience and qualifications, maybe the number of beds isn't important because that is already a requirement.

Commissioner Aragon stated that this board in the past has been telling the hospital what they need to do instead of asking what they can provide for Valencia county.

Commissioner Carlberg asked if pages #27 and #28 describe a project that agrees with the micro-hospital concept.

Mr. Pato replied, it might result in micro-hospital being proposed or something else being proposed but that is up to the offeror to decide what is economically feasible and

Minutes of April 18, 2018 Public Hearing/Business Meeting

appropriate for the community. There are two things at stake, they have to provide the minimum that is required in the Hospital Funding Act but they also want to earn the \$26 million so it is likely that they will provide more than the minimum.

Commissioner Carlberg asked if the state will check if the bid complies with the Hospital Funding Act or will the county have to judge if they are complying with it.

Mr. Pato replied, the state nor a consultant will not review the RFP or proposals without the request of the board.

Commissioner Eaton stated in order for the county to engage in disbursements of mill levy funds the provider will have to receive certification from the Department of Health. He also stated that CMS certification needs to be put into the RFP as well as adding mental health services under desirables.

Mr. Del Conroy suggested that everything be grouped together by meeting the requirements of the Hospital Funding Act, then let the offers come in and go from there.

There was brief discussion among the commission regarding assigning points to each of the requirements.

Commissioner Aragon called for break @ 7:21 P.M.

There was additional discussion among the commission regarding the value of points to award.

Mr. Pato stated that page 28 references the distribution of the mill levy funds, he suggested that the board assign a percentage not a dollar amount regarding how it is to be disbursed, he also mentioned that there is not a time limit to how it needs to be paid out. The main goal in this regard is the continued operation of the facility. The board agreed on disbursing the funds over a period of 8 years with 20% being disbursed within 10 days of commencement of services, 1/8th on the 1st anniversary, 1/7th on 2nd anniversary, 1/6th on 3rd anniversary, 1/5th on 4th anniversary, 1/4th on 5th anniversary, 1/3rd on 6th anniversary, 1/2 on 7th anniversary and the remainder of the balance on the 8th anniversary.

Commissioner Carlberg asked if the money could be moved into a different investment that would pay more interest.

Mr. Monette stated that the money is in such a low interest account due to federal regulations requiring that the institution have that amount of money at all times. As the money starts depleting it will open more options as to where that money can be invested.

Mr. Pato stated it is required that the institution has to have more than \$26 million to hold the money. Mr. Pato stated that the following changes have been made to the RFP:

Revised mandatory requirements

Letter of transmittal form required- 0 points

Agreement to construct/operate hospital/24-hour facility- 0 points

Qualifications to build/operate hospital/24 hour- 150 pts

Removed the requirement that the offeror have built 3 facilities in the past 5 years.

Experience in construction/operation of hospital/24-hour facility- 200 points

The 24/7 operation requirement was retained- 0 points

Services offered- 200 points

Removed criteria pertaining to number of bed, doctors, nurses, support staff and local jobs.

Retained capability to perform- 0 points

Oral Presentation- 150 points

Retained campaign contribution disclosure form- 0 points

References- 100 points

Capital Improvements- 150 points

Incorporated CMS Certification

The board also agreed on the breakdown of distribution of the mill levy proceeds

Commissioner Cole moved for approval of the changes and to move forward with the RFP. Seconded by Chairman Aragon.

Minutes of April 18, 2018 Public Hearing/Business Meeting

Nick Blea suggested a performance bond, a helicopter pad for the facility, local preference, an auditing committee, as well as putting money in several different bank accounts instead of just one.

Roll call vote.

Commissioner Carlberg voted yes. Commissioner Hyder voted yes. Commissioner Cole voted yes. Commissioner Eaton voted yes. Chairman Aragon voted yes. Motion carried 5-0. (See Exhibit I)

Chairman Aragon requested that item #15 be heard next because of the length of time the individuals had been waiting.

15) Consideration to Behnke Road to be added to the County Maintained list (District I). Presenter: *Lina Benavidez*, Sponsor: *County Manager for Regular County Business*

Ms. Benavidez stated that the county currently maintains a section of the roadway but the residents are requesting that the county also maintain the other portion as well. The residents reasoning for the request include public safety, increase to property values, inclement weather, and the property taxes of the homeowners affected should contribute to the road improvements. Ms. Benavidez stated that Rural Addressing had a concern but the residents have agreed to consider getting their homes re-addressed to a different road name for public safety if need be.

Commissioner Cole moved for approval. Seconded by Commissioner Hyder.

Chairman Aragon asked if the road is being brought up to standards. Ms. Benavidez stated that the residents will not be doing that the county will in the future depending on funds, but it will be added to the routine maintenance list for grading.

Roll call vote. Commissioner Carlberg voted yes. Commissioner Hyder voted yes. Commissioner Cole voted yes. Commissioner Eaton voted yes. Chairman Aragon voted yes. Motion carried 5-0.

Mr. Gene Valdez stated citizens don't realize how hard the commission works but everything the board does is appreciated.

14) Consideration for the Commission to authorize the County Manager to prepare for a Bond Election and enter into a contract with RBC Capital. Presenter: *Danny Monette/Loretta Trujillo*; Sponsor: *County Manager for Regular County Business*

Mr. Monette stated that it will cost roughly \$30,000 to contract with RBC Capital and requests commission approval to enter into a contract.

Commissioner Aragon moved for approval. Seconded by Commissioner Cole. Roll call vote. Commissioner Carlberg voted yes. Commissioner Hyder voted yes. Commissioner Cole voted yes. Commissioner Eaton voted yes. Chairman Aragon voted yes. Motion carried 5-0. (See Exhibit J)

16) Consideration of Amending Resolution No.18- Adopting the Road Project Priorities for expending County Hold Harmless GRT Bond Revenues. Presenter: *Lina Benavidez*, Sponsor: *County Manager for Regular County Business*

Ms. Benavidez stated that after further review there are more residents that live on Morgan and Silva so she would like to remove Sanchez Road and add Morgan and Silva.

Commissioner Eaton moved for approval. Seconded by Commissioner Cole. Roll call vote. Commissioner Carlberg voted yes. Commissioner Hyder voted yes. Commissioner Cole voted yes. Commissioner Eaton voted yes. Chairman Aragon voted yes. Motion carried 5-0

County Clerk Carabajal announced Resolution 2018-31. (See Exhibit K)

17) Consideration to accept real property donation, Applicant/Owner Michael T. Corr, as Voluntary Administrator for the Estate of Joan R. Corr. Presenter: *Danny Monette*; Sponsor: *as per Resolution 2017-15*

Located in Canyon Del Oro, Belen, NM, Parcel #1-020-022-410-500-00060, Lot 6, Block 50, Unit 2 on 0.50 acres (Acct #R035201)

Mr. Monette stated that he recommended approval of the property donation.

Minutes of April 18, 2018 Public Hearing/Business Meeting

Commissioner Hyder moved for approval. Seconded by Commissioner Carlberg. Roll call vote. Commissioner Carlberg voted yes. Commissioner Hyder voted yes. Commissioner Cole voted yes. Commissioner Eaton voted yes. Chairman Aragon voted yes. Motion carried 5-0. (See Exhibit L)

PUBLIC COMMENT:

None

EXECUTIVE SESSION:

Pursuant to Section 10-15-1 (H) (2) (5) (7) & (8) the following matters may be discussed in closed session: a) Personnel: Lina Benavidez, b) Pending or threatened litigation/administrative adjudicatory deliberations: Los Lunas v. Valencia County et al.; c) real property/litigation: The Matter of Lots 7,8,59,60,100,101 and 102 Unit Q of Rio Grande Estates, a subdivision in Valencia County, New Mexico, as the same is shown and so designated on the plat of the above said subdivision, filed in the Office of the County Clerk of Valencia County, New Mexico on the 8th day of May 1963, recorded in Plat Cabinet "A" at Page 196.; d) other specific limited topics that are allowed or authorized under the stated statute.

Mr. Nance stated that what was to be discussed is limited to what was presented on the agenda for executive session.

Commissioner Eaton moved to go into executive session. Seconded by Commissioner Hyder. Roll call vote. Commissioner Carlberg voted yes. Commissioner Hyder voted yes. Commissioner Cole voted yes. Commissioner Eaton voted yes. Chairman Aragon voted yes. Motion carried 5-0.

Commissioner Cole moved to return to regular session. Seconded by Commissioner Carlberg. Roll call vote. Commissioner Carlberg voted yes. Commissioner Cole voted yes. Commissioner Eaton voted yes. Commissioner Hyder voted yes. Chairman Aragon voted yes. Motion carried 5-0.

Mr. Nance stated that the matters discussed in executive session were limited to those in the motion for closure and no final action was taken.

Commissioner Cole moved for approval of the summary as stated by Mr. Nance. Seconded by Commissioner Hyder. Roll call vote. Commissioner Carlberg voted yes. Commissioner Hyder voted yes. Commissioner Cole voted yes. Commissioner Eaton voted yes. Commissioner Aragon voted yes. Motion carried 5-0.

NEXT COMMISSION MEETING:

May 2, 2018- Business Meeting @ 5:00 P.M.

Valencia County Commission Chambers, 444 Luna Ave., Los Lunas, NM 87031

May 16, 2018- Public Hearing/Business Meeting @ 5:00 P.M.

Valencia County Commission Chambers, 444 Luna Ave., Los Lunas, NM 87031

Mr. Monette stated that there will also be a budget workshop on May 1st at 10:00 AM.

18) Adjournment

Commissioner Cole moved for adjournment. Seconded by Commissioner Hyder. Roll call vote. Commissioner Carlberg voted yes. Commissioner Hyder voted yes. Commissioner Cole voted yes. Commissioner Eaton voted yes. Chairman Aragon voted yes. Motion carried 5-0. TIME: 8:55 P.M.

NOTE: All proposals, documents, items, etc., pertaining to items on the agenda of the April 18, 2018 Public Hearing/Business Meeting (presented to the Board of County Commissioners) are attached in consecutive order as stated in these minutes.

VALENCIA COUNTY BOARD OF COMMISSIONERS




JONATHAN ARAGON, CHAIRMAN



CHARLES D. EATON, VICE-CHAIR

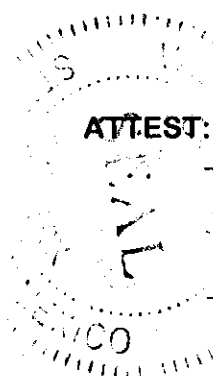


DAVID A. HYDER, MEMBER



DAVID CARLBERG, MEMBER

HELEN Y. COLE, MEMBER



ATTEST:



PEGGY CARABAJAL, COUNTY CLERK

5-16-2018
DATE