

**San Juan County Commission
Regular Meeting
March 21, 2023**

Chairman Lanier called the San Juan County Commission meeting to order on March 21, 2023 at 4:00 p.m. in the Commission Chambers located in the County Administration Building, 100 S. Oliver Drive, Aztec, New Mexico. Mike Stark gave the invocation and Commissioner Fortner led the Pledge of Allegiance. Those present were:

CHAIRMAN	Steve Lanier
CHAIRMAN PRO-TEM	John T. Beckstead
MEMBER	Terri D. Fortner
MEMBER	GloJean Todacheene
MEMBER	Gary McDaniel
CHIEF DEPUTY ASSESSOR	John Kuhn
CLERK	Tanya Shelby
CHIEF DEPUTY TREASURER	Bryan Myers
UNDERSHERIFF	Cory Tanner
COUNTY MANAGER	Mike Stark
DEPUTY COUNTY MANAGER	Jim Cox
ATTORNEY	Joe Sawyer
DEPUTY ATTORNEY	Ellen Wayne
CLAIMS MANAGER	Cynthia Singleton
EMERGENCY MANAGER	Mike Mestas
CHIEF FINANCIAL OFFICER	Kim Martin
PARKS & FACILITIES ADMINISTRATOR	Daniel Hill
PARKS & FACILITIES DEPUTY ADMINISTRATOR	Steven Dansie
PUBLIC WORKS ADMINISTRATOR	Nick Porell
FIRE CHIEF	David Vega
DEPUTY FIRE CHIEF	Donovan Mack
COMMUNITY DEVELOPMENT DIRECTOR	Michele Truby-Tillen
PUBLIC RELATIONS & FILM MANAGER	Devin Neeley

VISITORS:

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Regular Meeting

Approval of Agenda

Mike Stark, County Manager, stated that there were no changes to the agenda. A motion was made by Chairman Pro-Tem Beckstead, seconded by Commissioner Fortner to approve the agenda as presented. Upon voice vote the motion passed unanimously.

Consent Agenda

1. Approval of Regular Meeting Minutes from March 7, 2023
2. Approval of FY23 Budget Adjustment #12 – Resolution No. 22-23-54
3. Approval of Treasurer Check Register for February 2023
4. Approval of Finance Check Register from February 2023
5. Approval of Request to Authorize the County Manager to Award Bid No. 22-23-20, Purchase of Equipment for the Telehealth Phone System/Network Upgrade at SJRMC
6. Approval of Application for Law Enforcement Protection Fund (LEPF)

A motion was made by Commissioner Fortner, seconded by Commissioner Todacheene to approve the Consent Agenda. Upon voice vote the motion passed unanimously.

New Business

1. **Consideration of Application for Variance from San Juan County Cannabis Regulation Ordinance No. 120 for Burnin' Barrels Dispensary, 2210 W Aztec Blvd. Suite #1, Aztec NM**

Michelle Truby-Tillen, Community Development Director, indicated that Bryan Johnson of Burnin' Barrels Dispensary submitted a Variance Petition Application to the Community Development Department on February 8, 2023, to request a variance from the minimum separation distance from a residence requirement in Section 3(A) of Ordinance No. 120. Burnin' Barrels currently operates a dispensary retail facility on the property located at 2210 W. Aztec Blvd, Aztec NM, in which a variance for that portion of their business was approved on December 6, 2022. The applicant seeks to add a fenced-in cannabis consumption area and requested a variance for the life of the business. There are five residences within 300 feet of the proposed addition. A public hearing was held before Hearing Officer F. Chester Miller III on March 2, 2023, where one neighbor who lives within 300 feet of the proposed establishment submitted written comments prior to the hearing concerning traffic safety and requested a traffic study. Staff suggested the variance be limited to two or three years to monitor how traffic is affected in the area. The applicant agreed to the time limit and will re-apply when the variance expires. Hearing Officer Miller submitted written findings and conclusions and recommended the request for variance be granted for 3 years. Commissioner Todacheene asked what measures would be taken to ensure that state laws and rules of the establishment are followed. Mr. Johnson explained that rules of the establishment will be posted, identification will be checked upon entry and a trained staff member will be present in the consumption area. Commissioner Fortner also asked about the process of conducting a traffic study. Nick Porell, Public Works Administrator, explained the different types of traffic studies. The Commission asked various questions. A motion was made by Commissioner Todacheene to approve the Application for Variance from San Juan County Cannabis Regulation Ordinance No. 120 for Burnin' Barrels Dispensary, 2210 W Aztec Blvd. Suite #1, Aztec NM for a variance for 3 years, due to lack of a second the motion died. A motion was made by Commissioner Fortner, seconded by Chairman Pro-Tem Beckstead to table the Application for Variance from San Juan County Cannabis Regulation Ordinance No. 120 for Burnin' Barrels Dispensary, 2210 W Aztec Blvd. Suite #1, Aztec NM for the next regular meeting. Upon voice vote the motion passed unanimously.

2. Consideration of Renewal of Property and Casualty Insurance (Under Broker RFP 21-22-05) to Kysar Millennium Leavitt Insurance Agency of Farmington, NM

Cynthia Singleton, Claims Manager, introduced Stan Baker, Broker with Kysar/Millennium/Leavitt Insurance Agency (KML), to present options for renewal of property and casualty insurance for San Juan County. Request for Proposal (RFP) 21-22-05 was awarded to KML for brokerage services to procure insurance coverage beginning March 31, 2023 through March 31, 2024. Travelers offered favorable premiums and required coverage for most lines, and specialty insurance not carried by Travelers were brokered to multiple companies. Mr. Baker presented the following renewal premiums:

1. Travelers Insurance of \$1,699,900 (which excludes specialty lines and fees), which is a 6% increase from last year
2. Aircraft coverage for helicopters under Westchester Fire insurance at an annual premium of \$21,286.
3. Crime coverage from Hanover remains at \$8,475, and Storage Tank Pollution coverage from Mid-Continent is at \$548.
4. Cyber insurance will be provided by Hudson Excess Insurance Co for \$72,203.04 with \$2M coverage.
5. Excess Cyber insurance above the basic \$2 million has been offered at several levels by Great American, and our requested \$1 million coverage will be provided for \$25,750.75, a 30% decrease from last year
6. \$4 million in Excess Liability with Homesite Insurance Co of Florida and \$4 million in Excess Law Enforcement liability with Indian Harbor Insurance Co for a total of \$252,285.25, a 121% increase from last year.
7. Brokerage services were previously awarded under RFP 21-22-05 to KML under a combined fee cap of \$110,000.00. KML total commission/fee under these recommendations is \$110,000.00.

Mr. Baker explained that the increase in premiums is due to a rise in nuclear claims and an increase in property value. The following options to supplement the remaining \$4 million in excess liability coverage were presented to the Commission:

- A. Accept the \$4 million in excess liability and law enforcement coverage despite the 121% premium increase from \$111,153 to \$252,285. This strategy would retain the \$10 million in liability coverage that our Broker recommends for risk reduction at this time due to uncertainty with the Civil Rights cases under the new law and a relatively favorable premium in the market. Total premiums for all liability and property coverages listed and Kysar commission for this coverage year would be \$2,190,448.04, a 12% increase from last year. If this option is chosen, Kysar would be asked to further analyze claims history during the coming year to present this or other possible cost-saving options for next policy year.
- B. Increase the deductible/retention on Liability claims to \$100,000 from \$50,000, which decreases the premium. An analysis of claims for 5 years reveals minor savings with increased risk, therefore, staff would not recommend this option at this time.
- C. Not accept the \$4 million in excess liability and law enforcement coverage due to the 121% premium increase. To maintain current coverage limits of \$10 million, San Juan County could utilize existing cash reserves of \$4 million to self-fund the excess coverage should it be needed. This strategy would result in \$252,285 in premium savings or more annually plus accrued interest. Total premiums for all liability and property coverages

listed and Kysar commission for this coverage year would be \$1,938,163, a slight decrease from last year.

Chairman Pro-Tem Beckstead asked how many civil rights claims have been filed against the County in recent years. Joe Sawyer, County Attorney, stated that under the new Civil Rights Act no claims have been filed in the last year and Mike Stark, County Manager, indicated that New Mexico Counties has roughly 50 cases and the New Mexico Municipal League has 150 cases currently pending. The Commission asked various questions. A motion was made by Chairman Pro-Tem Beckstead, seconded by Commissioner Todacheene to approve the Renewal of Property and Casualty Insurance (Under Broker RFP 21-22-05) to Kysar Millennium Leavitt Insurance Agency of Farmington, NM and to approve Option C. Chairman Lanier, Chairman Pro-Tem Beckstead, Commissioner Todacheene, and Commissioner McDaniel voted in favor and Commissioner Fortner voted against. Upon voice vote the motion passed four to one.

3. Consideration of American Rescue Plan Act Funding Allocation Revisions

Jim Cox, Deputy County Manager, explained that on March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law, which allocated a total of \$65.1 billion in direct federal aid for COVID 19 response and recovery efforts, including revenue replacement for losses directly related to the pandemic. The County received \$12,038,694 in May 2021 and June 2022, resulting in a total amount of \$24,077,388. As of March 15, 2023, a total of \$8,861,591 or 36.8% of the awarded amount has been spent on ARPA approved projects. Funds must be obligated by December 31, 2024 and spent by December 31, 2026. Currently, over 50% has been allotted for infrastructure and capital related projects, which includes the allocation of \$600,000 that was authorized at the July 5, 2022 Regular Meeting to replace arch culverts on bridges 3121 (road 3000), 5722 (road 6675) and 8111 (road 3500). The Geotech investigations identified unideal soil which required drilled shafts to be placed in support of the arch culvert and resulted in the engineer's estimate to increase to \$2.7 million for construction (60% design estimate). The County estimated the contracted cost of \$1.15 million and internal cost of \$314,000 secured through the operating/capital budget of the Public Works Department. Staff requested the Commission authorize the reallocation of ARPA funding from the following programs to secure the funds needed to continue the replacement of Bridge 3121:

- Public Health: any new/additional COVID-19 related expenditures are not anticipated; therefore, can reallocate the remaining budget of \$14,211
- Infrastructure: The Animas riverbank stabilization project completed underbudget by approximately \$90,000
- Public Sector Capacity:
 - The Overtime Shift Stipend for the Adult detention Center: was authorized by the Commission and the budget was fully exhausted with \$6,418 remaining that can be allocated. The OT shift stipend will continue but paid for under the ADC's operating budget.
 - Hiring to Pre-Pandemic Levels: \$434,696 would be reallocated from this category to bring the bridge 3121 project up to the needed \$1.15 million. After adjustment, there is \$674,181 budget remaining in this category covering approximately 3 ¾ quarters of payroll expense thru October 2023.
- Premium Pay: \$4,675 remained in this category due to limitations on the ADC OT shift stipend. With the conclusion of that program these funds can be reallocated.

These reallocations are net zero impact and the \$133,404 unallocated ARPA contingency/reserve balance remains intact and available for the remaining large infrastructure projects. The Commission asked various questions. A motion was made by Commissioner Fortner, seconded by Chairman Pro-Tem Beckstead to approve the American Rescue Plan Act Funding Allocation Revisions. Upon voice vote the motion passed unanimously.

4. Consideration Transfer of Ownership of Dispenser Liquor License for Dino's Mart & Hideaway

Joe Sawyer, County Attorney, stated that a notice was received from the Alcoholic Beverage Control Division that action must be taken on a transfer of ownership of liquor license no. 1015 for Dino's Mart & Hideaway. The previous owner of the license has passed away and his daughter is seeking transfer of the ownership only. A Notice of Public Hearing was published in the Daily Times on February 9, 2023, and February 16, 2023. A public hearing was held before County Attorney Joe Sawyer acting as the hearing officer on March 14. No one appeared at the hearing other than the applicant Lynette Bates and there were no comments in favor of or in opposition to the transfer. Before approval the County is required to consider three criteria:

1. Is the proposed sale location in an area prohibited by the State of New Mexico
2. Would the transfer violate a zoning or other ordinance of the County; and
3. Would the transfer be detrimental to the public health, safety, or morals of the local option district.

Hearing officer Sawyer indicated that Dino's Mart & Hideaway does not violate the criteria and recommends that issuance of the license be approved. The County must notify the Alcoholic Beverage Control Division of approval or disapproval by April 13, 2023. A motion was made by Chairman Pro-Tem Beckstead, seconded by Commissioner Fortner to approve the Transfer of Ownership of Dispenser Liquor License for Dino's Mart & Hideaway. Upon voice vote the motion passed unanimously.

5. Consideration of Approval of Governmental Liquor License for Riverview Golf Course

Joe Sawyer, County Attorney, explained that in December of 2022 the Commission directed Staff to apply for a governmental liquor license from the State Alcoholic Beverage Control Division to allow limited alcohol sales at Riverview Golf Course. The County has received a notice from the Alcoholic Beverage Control Division that a hearing must be held, and a vote taken by the Commission to approve or disapprove the license. A Notice of Public Hearing was published in the Daily Times on February 9, 2023, and February 16, 2023. A public hearing was held before County Attorney Joe Sawyer acting as the hearing officer on March 14. Other than Staff no one appeared at the hearing and there were no comments in favor of or in opposition to the license. Before approval the County is required to consider three criteria:

1. Is the proposed sale location in an area prohibited by the State of New Mexico
2. Would the issuance or transfer violate a zoning or other ordinance of the County
3. Would the issuance or transfer be detrimental to the public health, safety, or morals of the local option district.

Hearing officer Sawyer indicated that Riverview Golf Course does not violate the criteria and recommends that issuance of the license be approved. The County must notify the Alcoholic Beverage Control Division of approval or disapproval by April 13, 2023. A motion was made by Commissioner Fortner, seconded by Commissioner Todacheene to approve the Governmental Liquor License for Riverview Golf Course. Upon voice vote the motion passed unanimously.

Report from County Manager

Mike Stark, County Manager, reported the following:

- The deadline for the Governor to sign or veto the 246 bills passed is April 7th; Staff will be monitoring which bills are signed
- New Mexico Counties will be hosting 4 regional meetings on the following dates:
 - April 12th in Bernalillo County
 - April 13th in Chavez County
 - April 19th at New Mexico Highlands University
 - April 20th in Dona Ana County
- McGee Park will host a New Mexico Workforce Connection event for New Mexico Workforce Solutions on Thursday May 4th from 10 a.m. to 2 p.m.

Reports From Elected Officials And Department Heads

Michelle Truby-Tillen, Community Development Director, indicated that snowpack levels are favorable and will hopefully result in adequate spring runoff. Ms. Truby-Tillen also stated that the National Weather Service will be at McGee Park on April 26th at 2 p.m. to present a Spring prediction model.

Mike Mestas, Emergency Manager, explained that around 25,000 sandbags are available to citizens at the old Pepsi building for flood prevention. Mr. Mestas also stated that the Emergency Management Seminar will be March 22nd from 11 a.m. to 1 p.m. and Household Hazardous Waste Day will be Saturday March 25th in the parking lot of the County Administrative Building.

Devin Neeley, Public Relations & Film Manager, stated that advertisement for the sandbags will increase as spring runoff gets closer

Comments / Input From The General Public

None

Closed Executive Session

A motion was made by Chairman Pro-Tem Beckstead, seconded by Commissioner Todacheene to go into closed executive session to discuss threatened or pending litigation in which the County is a participant – Navajo Nation Redistricting Lawsuit Pursuant to Section 10-15-1 (H)(7). Upon voice vote the motion passed unanimously. Upon return a motion was made


by Chairman Pro-Tem Beckstead, seconded by Commissioner McDaniel to go back into open meeting. Upon voice vote the motion passed unanimously. Chairman Pro-Tem Beckstead stated that nothing other than what was stated in the motion to go into closed executive session was discussed.

Adjourn

Being no further business, Chairman Lanier adjourned the meeting at 6:40 p.m.

APPROVED THIS 4TH DAY OF APRIL 2023

BY THE SAN JUAN COUNTY BOARD OF COMMISSIONERS:




Chairman Steve Lanier



Chairman Pro-Tem John T. Beckstead



Glojean Todacheene



Terri D. Fortner



Gary McDaniel





Tanya Shelby, County Clerk