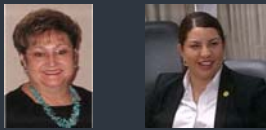


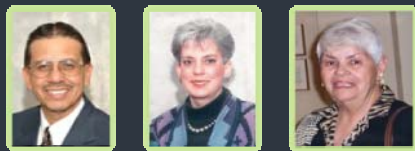


Mayor Joseph M. Maestas



Mayor Pro Tem Alice Lucero

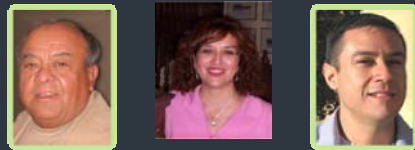
Councilor Danielle Duran



Councilor Alfred Herrera

Councilor Cecilia Lujan

Councilor Kain-Salazar



Councilor Edward Maestas

Councilor Rosario "Chayo" Garcia

Councilor Dennis Tim Salazar

The Governing Body of the City of Española is committed to improving city government and the quality of life for the citizens of Española. Your questions and comments are welcome at all city council workshops and meetings, or you can submit them via our website.

UPCOMING PROJECTS IN 2009

- **Reconstruction of Industrial Park Road**
This \$4 million dollar project that has received funding through the GRIP II program, Municipal Arterial Program and Coop funds is about 75% funded. It is currently in the final design stage, and is anticipated to start in early spring 2009. It is a reconstruction project that includes new lanes, curb and gutter, and drainage improvements.
- **General Obligation (G.O.) Bond Initiative for New Public Library**
The city has no outstanding GO bonds, with a present borrowing capacity of \$6 million. One of the projects being considered for this is the construction of a new public library.
- **Paseo de Oñate (Downtown Main St.) Revitalization Projects:**
 - Bridge Rehabilitation, \$1.6M
 - Roadway Enhancement, \$2.0M
 - Intersection Reconstruction, \$3.5M
 - Chili Line Railroad Museum, \$450k
- **Appraise and negotiate utility line easements on Santa Clara Tribal lands.**
- **Expansion of YMCA Teen Recreation and Technology Center**
- **New Portales for the Plaza de Española**

REGIONAL GOVERNMENT PARTNERSHIPS

The city continues to reach out to other governments for support and coordination in areas that collectively affect us. Some of these initiatives include:

- ✓ **Regionalized Public Transportation:** Signed agreement with other city, county, and tribal governments to create and operate the North Central Regional Transit District.
- ✓ **Finalizing a Regional Economic Development Plan:** Working with all governments in Los Alamos, Rio Arriba, Santa Fe and Taos Counties in this Los Alamos County-funded project.
- ✓ **Signed Memorandum of Agreement with Santa Clara Pueblo to Obtain Right-of-Way Clearance to install a new waterline along US 84/285 south from Dandy Burger to State Route 106.**

CHALLENGES WE FACE IN THE COMING YEAR

There will always be ongoing challenges that must be faced and addressed by government to realize the full potential for our community and make it the best place to live. The Governing Body and staff will strive to find solutions to challenges such as:

- Building customer service, professionalism, and stability in city hall.
- Reforming the public housing authority and improving its status.
- Having a complete, satisfactory financial audit.
- Reducing our exposure to liability and reducing insurance costs.
- Reducing drug and gang-related crimes.
- Providing utility services to all citizens.
- Widening, dedicating, and improving local city streets.

City of Española - State of the City 2008

Presented by Mayor Joseph M. Maestas

The Past Year's Highlights

- ✓ Cut the ribbon on \$14,000,000 wastewater treatment plant expansion project - the largest public works project in city history
- ✓ Opened the YMCA Teen Recreation and Technology Center
- ✓ Successfully conducted city election with new council districts
- ✓ Started a \$750,000 renovation project of the police department building including inmate holding cells
- ✓ Completed the \$250,000 plaza gazebo and landscaped the area with trees and grass
- ✓ Re-Opened the Senior Citizen Center after approx. \$250,000 of improvements
- ✓ Purchased a second phase of the new fleet of police cars.
- ✓ Re-surfaced the following city streets: Pajarito, Duran Street, Mt. View and Calle Hacienda
- ✓ Secured \$500,000 Federal Community Development Block Grant for a water blending project. The first such grant awarded to the city in 12 years
- ✓ Conducted Governing Body and city management staff team building, visioning, and action plan development
- ✓ Completed approximately \$300,000 of capital improvements to public housing developments



City of Española: A Proud History, A Progressive Future

405 N. Paseo de Oñate

Española, NM 87532

(505) 747-6100

www.cityofespanola.org

The Mayor's Message

On September 18, 2008, I proudly delivered my third annual State of the City address at the Misión y Convento. I began this tradition in 2006 as a means to directly inform citizens of accomplishments made over the previous year, challenges facing the city, and noteworthy initiatives underway. This effort represents the fulfillment of a promise made by me and the City Council to create a more accountable and open city government. This address also allows me to demonstrate how such accomplishments and initiatives directly contribute to achieving our shared vision for the City of Española. This newsletter is a summary of my 2008 State of the City address.

In the past 12 months, my administration and the Governing Body have made great progress in our top priorities - financial management and public safety. When I took office in 2006, the city was three years behind in its annual financial audits and plagued by chronic overspending and a lack of cash and grant reconciliation.

Today, we have completed the needed audits and recently submitted a balanced budget for the current fiscal year.

We have greatly improved the financial health of the city and brightened its outlook despite an economic downturn that has greatly reduced sales tax revenues as well as Federal and State funds. Consequently, the city will be moving forward in diversifying its funding to construct needed projects through general obligation and revenue bonds.

The current budget greatly reflects our priorities and emphasis on public safety. In the police department, all vacant positions have been funded and most of the vehicle fleet has been replaced. A Gang Task Force has been created to help reduce graffiti and gang-related crime. In the fire department, three additional firefighters have been hired and new equipment acquired. To further add transparency to my administration, I have asked that for the first time in the city's history, the entire budget be readily available to the public on our website.

Improving the quality and quantity of drinking water also continues to be a priority. The city has acquired an unprecedented amount of funding to treat our groundwater to insure compliance with water quality standards, extend and loop water lines to increase water pressure for fire suppression and provide additional water to areas within the city.

Challenges remain in the overall stability of personnel and program management in city hall as well as the public housing authority. However, progress continues in training and professionalizing city staff to insure better customer service; and continual staff development and training to reduce exposure to potential legal claims and lawsuits. The Public Housing Commission continues to work in partnership with the city and the U.S. Housing and Urban Development to improve the management of the housing authority.

Please join me, the City Council, and city employees in moving Española forward!

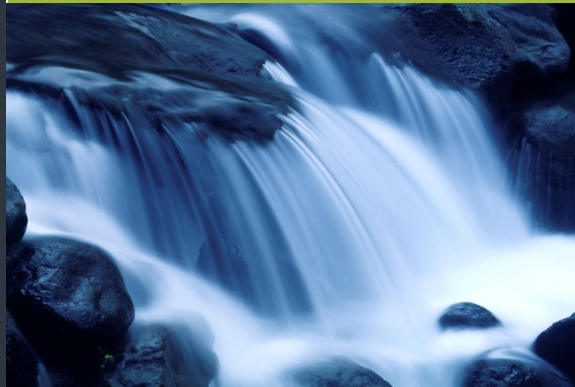
A FOCUS ON FINANCES

Since the beginning of this administration, a top priority has been the task of creating a financially sound city. Several steps have been taken to accomplish this.

This year, we have maximized our investments to capitalize on the city's money. This fiscal's year investments are budgeted to yield 266% over last year's investment income.

While the city continues to invest and build on current available assets, the recent adoption of the ¼% GRT has been earmarked to assist in providing improvements to recreation, streets and buildings, and to increased public safety.

With the information gathered from the three audits recently completed, the city now has a better understanding of the steps necessary to improve its financial management and planning. This will allow the city to continue its progress of improving the city's financial health.



MORE WATER SYSTEM IMPROVEMENTS

Additional funding for new projects will further improve the quality and quantity of water for the citizens of Española.

Over \$8 million is currently available for use by the City of Española to improve its water system. The Water Trust Board has awarded the city a new \$2.58 million grant that adds to two previous awards of \$1.9 million and \$3.7 million.

There are three projects programmed to be funded with the \$1.9 million award, which will be the first to be utilized. This award will fund the installation of a water line on US 84/285 from Dandy Burger south, in conjunction with the Department of Transportation's highway reconstruction project. Secondly, it will fund a water line that will connect the US 84/285 line to SR 76 through SR 106; this will allow for looping of the system that will provide increased fire protection as well as future access to water in the Sombrillo area.

The third project programmed is the blending of the water from Wells 4 and 7, which currently have levels of arsenic and nitrates (respectively) that are above the compliance levels established. By blending the water, both arsenic and nitrate levels are diluted enough to be well within compliance levels. This project also is partially funded by a Community Development Block Grant award received by the city, in the amount of \$500,000.

The remaining funds of \$2.58 and \$3.7 million will be used in the coming year to increase capacity of the system, as well as to provide services in areas not currently served. Those projects include a line in the El Llano area to service the Northeast side of the city, a line across each of the bridges to connect the West and East sides of the city, and replacing a tank that is over 40 years old. Further in the future are plans to provide utility lines to residents in the El Llano and Ranchitos areas. It is estimated that the entire cost of these projects, which is over \$9 million dollars, will be funded with city grant money. As of today's estimates, the city will contribute only \$566,000 to these projects from its general fund. The next steps to accomplishing these projects are to engineer them and submit them to the Water Trust Board for approval and final funding.

Recent Water Department Accomplishments

- ✓ Completed blending of water from Wells 2-3 to meet EPA Safe Drinking Water Standards and improve fire protection
- ✓ Entered into Memorandum of Agreement with Cuatro Villas Mutual Domestic Water Association to provide potable water
- ✓ Purchased a total of 24.57 acre feet of Diversion Water Rights, which will be used to provide water to Cuatro Villas
- ✓ Began construction on the Well 1 Arsenic Treatment System
- ✓ Funding received for the upgrade of disinfection equipment (\$250,000)



NEW PUBLIC SAFETY FLEET

When Julian Gonzales became Public Safety Chief in 2006, the police department had an aged fleet of 28 vehicles, which had a total of over two million miles. Since then, through grant funding, state appropriations, and city funds, the Public Safety Department has acquired 13 new police vehicles, one animal control vehicle and one fire/rescue water tanker.

In addition, the police vehicles are equipped with state of the art communication radios, and

new gun racks to secure additional firearms to assist officers.

How it adds up:

USDA Grant = \$230,000

City Funds = \$70,000

Legislative Funds = \$20,000

The vehicles are also being equipped to handle grant-funded laptop computers that will provide access to the city-wide wireless mesh system. This will allow officers to access a variety of police-related programs while out on the street. The newer, better-

equipped vehicles will provide our officers with the necessary tools to ensure the safety of the citizens of the City of Española. Chief Gonzales plans on continuing the replacement of the fleet through more grant funding and budget monitoring.

The Public Safety portion of the newly enacted ¼% Gross Receipts Tax will be used by the Public Safety Department to acquire tactical equipment, additional vehicles and to fund the salary of one additional police officer.

FACTS ABOUT THE 2008-2009 BUDGET

Total Budget: \$34,208,128

General Fund:

Budgeted Revenues: \$10,602,280

Budgeted Expenditures: \$10,466,162

Water/Wastewater Enterprise Funds:

Budgeted Revenues: \$3,784,580

Budgeted Expenditures: \$ 2,760,954

For a look at the complete budget, go to:

www.cityofespanola.org and visit the

Finance Department Page

The City of Española experienced a shortfall in the projected Gross Receipts Tax income for the 2007-08 Fiscal Year by \$906,309 (10.26%). The anticipated GRT revenue for 2008-2009 is \$7,992,350.




PUBLIC SAFETY

Key Focus Areas

- ✓ Fill all vacancies in police department
- ✓ Complete police department building improvements
- ✓ Three additional fire fighters
- ✓ Develop newly-formed Gang Task Force to reduce crime
- ✓ Continue operations to reduce flow of illegal drugs
- ✓ Fully deploy wireless technology system
- ✓ Build new, privately-funded regional detention facility
- ✓ Reduce incidence of graffiti
- ✓ Reduce incidence of DWI

EMPLOYEES OF THE MONTH

September 2007 – August 2008

Continuing the tradition of honoring our many dedicated Employees the following received this fine honor: 

- Ron Padilla – Lieutenant Fire Dept.
- Lucas Gauthier – Deputy Clerk
- Trudy Gallegos – Financial Specialist II
- Ben Martinez – Parks Foreman
- Richard Marquez – Teen Court
- Veronica Martinez – City Clerk
- Lucas Gauthier – Deputy Clerk
- Lupita DeHerrea – Grants Admin
- Mario Miranda – Lifeguard
- Ezequiel Garcia – Water Svc. Worker
- Josephine Velasquez – Senior Ctr. Director
- Emily Montoya – Police Officer
- Bobby Wright – DWI Officer

Thanks for all your hard work and congratulations again!