

**STRATEGIC PLANNING/PRE-BUDGET WORKSHOP**  
**MINUTES**  
**VILLAGE OF LOS LUNAS**  
**SATURDAY, MARCH 28, 2026**

The Board of Trustees of the Village of Los Lunas, County of Valencia, and State of New Mexico met Saturday, March 28, 2026 in a workshop that started at 8:00AM. Roll call was taken, and the following were present: Mayor Charles Griego, Councilor Gino Romero, Councilor Christopher Ortiz, Councilor James Runyon & Councilor Matthew Chavez.

<b>Mayor:</b>	Charles Griego
<b>Mayor Pro Tem:</b>	Christopher Ortiz
<b>Council:</b>	Matthew Chavez James Runyon Gino Romero

Also present were: Gregory D. Martin, Mykayla Moody, Craig Donohue, and the Leadership Team. In accordance with Ordinance 114A, the following agenda was prepared and circulated as required:

- 1. Welcome/Overview**
- 2. Council Communication Tools**
- 3. Current Council Strategic Priorities**
- 4. FY 2027 Budget Preview**
- 5. Major Projects Overview**
- 6. Wrap-Up/Review**
- 7. Adjourn**

- Mr. Gregory Martin welcomed everyone to the Workshop and thanked everyone for coming in on a Saturday. He then proceeded with the presentation with item 1, "Council Communication Tools". The goal is to continue to communicate with the council as best we can, so we have developed tools that can help us keep the line open. I have provided some examples of some reports in your packets and will go over them and receive any feedback or answer any questions you may have on them. The first is the Annual Strategic Planning Workshop which is happening today and is a great tool for mayor and council to get briefed on what is happening and what the plans are for the Village in the next year. Next, we have the Annual Village Budget Process which includes the budget meetings that have been happening this week and will go to mid next week. We also have this workshop that briefly goes over what our budget meetings are looking like and a breakdown of each department. Lastly, for the budget process, the Annual Budget Meetings are set for April 14 & 16 followed by the May 7<sup>th</sup> Council Meeting where we will be able to present the interim budget and get approval. The next report I have is the Monthly Report/Project Status Report which has department highlights as well as the project status report. We currently have about 40-60 individual projects on this report, and we hope it is informative and helpful. The next report will be the Monthly GRT report, which comes out around the 15<sup>th</sup> of the month. We rely on GRT for a big part of our revenue for a general fund as well as other funds. The reports are 2 months behind so the report sent out in February, will be the actual report from December 2025. It covers the major categories which are construction, retail, trade, utilities and accommodations and food services. It is about 75%-80%, and it compares our current revenue to what we received the prior year. We want to monitor the fact that we are 22% ahead of the prior year's GRT, and 49% ahead of what was budgeted for revenue. The next report is the Monthly Financial Report, which is generated directly by our financial system. This report gives us a snapshot for the year to date for each of our funds. It shows how much money has been received in revenue and how much is spent in expenditures. If you go through the report in the presentation, you will see how the breakdown happens. The revenue is in major categories of revenue and then the expenditures in the general fund are categorized by division or department. It also lets you choose a period of time such as the fiscal year, a particular month or a specific date. This report shows 72% of the revenue and we are 59% of the fiscal year is done. This report is sent to inform you about the status of the Village and where we are in the budgets. Greg told council that he would try and get with Caselle and figure out an easier format to read. The last communication tool we have is the Weekly Cash Status Report, which Cheryl puts together to watch our cash flow. We knew when we were embarking on a major project with the interchange project that we would be paying multimillion-dollar payments, and we wanted to make sure that we have a good sense of where our cash status is. Greg emphasized to the council that if there are ever any questions or confusion about anything, to reach out via email, phone, or in person. Greg asked if there were any questions about the Council Communication Tools – there were none.
- Next item will be the "Current Council Strategic Priorities. We bring these out every four years to go through them and see where we are currently. We initiated this process in October of 2022 and then had a couple of follow workshops that established these in February of 2023. We will continue to bring these to you during budget time to keep you informed of the status. The first is the interchange project, which we won't get into because Michael will be bringing it up in our "Major Projects" portion. Next up is the Quality-of-Life Improvements, which include tracking the Public Library and indoor Aquatic Center projects. Those projects will also be brought up in the "Major Projects" portion. Next item would be infrastructure improvements, which could be anything from

water, sewer, wastewater, storm water, pedestrian crossings, rode work, etc. Next up is going to be Economic Development which includes the process of working with and supporting local businesses through the Chamber of Commerce. Additionally, they are working on affordable housing and have begun working on RFPs for that project. Lastly, the personnel priority deals with staffing levels, which happens naturally as we present the budget with any personnel changes. This happens through HR and the compensation classification study which is almost complete and something you will hear about in the next section. Greg asked if there were any questions on the Current Council Strategic Priorities – there were none.

- Ms. Cheryl Cates presented the next item on the “FY Budget Preview”. The presentation does say “2027 revenue”, but these numbers were put together prior to last week’s budget meetings. So, these numbers are not exactly what you will see at the Budget Workshop. For the General Fund, you can see that this is a typical year, and our gross receipt tax makes up a little over 73% of our total revenue with property tax coming in around 10%. In the licenses and permits, most of that comes from CD. This includes business registrations, liquor and cannabis licenses, zoning, floodplain development, subdivision and engineering fees that we charge throughout the year. The intergovernmental grants is going to significantly increase because we have identified new funding that has come through. The General Fund also includes the Library and Museum printing sales. I have put an interest rate of 2.5 to be a happy medium, because we are not completely sure if they will go up or down. Councilor Ortiz asked if Cheryl knew the breakdown of the gross receipt tax, and how much the city gets and how much the state gets. Cheryl said she did and that she would have a printout for the council when a break was taken. Under miscellaneous revenues, we will have any insurance recoveries that we have during the year. We also have our property rentals and leases which include SODA and VRECC. In the five-year forecast, we would go up from 27-31. I calculated the GRT using a five-year average, times .85%, and I made sure to give myself a cushion with all the projects that we are working on and plan to be working on. As far as expenditures, I found an anticipation of 2.4% inflation adjusted rate, which I also added into our projection. There is also a 3% increase in personnel wages and taxes, a 10% increase in employee benefits, and a 5% increase in software costs. Cheryl asked if there were any questions on the FY Revenue Forecast – there were none.
- Mr. Marcos Castillo presented the next item on the “FY 27 Classification and Compensation Study.” The new proposed BPS are the results of the compensation study, which includes our new grades and our new numbers which are all included in your packet. We have 3 different BPSs which are municipal employees, the Police Department, and the Fire Department. We are looking at a 3.8% increase in payroll, village wide. This number does not include step increases which would bump it up to about 5 ½%. It is recommended that the Police Department get a 5.43 increase across the board. This is based on the compensation study which showed that we were below market for entry level police officer. It was also recommended that the Fire Department get a 6.33% increase based also on the entry level firefighter being below the mark. Another item that was brought up from the study was the 18 recommended title changes. This is mostly for housekeeping and getting rid of roman numerals and inputting descriptors. There is no increase with a title change, it is the same job just a different name. The last thing on my list is the consideration of incentive pay. This would include a bilingual stipend village wide. This would be to the positions where it is beneficial to have someone with that skill. We also have a proposed Budget consideration for two areas in the Police Department. Those two areas include the Field Training Officer (FTO), and the SWAT Team which both require a lot of training and certifications. Marcos asked if there were any questions on the Classification and Compensation Study – there were none.
- Mr. Marcos Castillo continued his presentation on the 2027 Employee Benefits review. Unfortunately, Fred was unable to make it to the meeting today. We are still awaiting numbers from Blue Cross, and Fred has received numbers from United and Presbyterian. Once we gather all of the numbers and proposals, we will bring it to you at the budget workshop. We will continue to monitor the Loveless vs. Blue Cross closely and keep you informed as much as possible. Marcos asked if there were any questions on benefits – there were none.
- Mr. Michael Jaramillo presented the next item which is the “Major Projects Overview”. We have lot to cover in the item, and I want to give you a quick summary of the agenda. We will be talking about Current Projects, Civil Projects, Upcoming Projects, and Other Projects & Initiatives. It will not only be me speaking but the Leadership Team, because they are all a part of these projects. Also, today I will be submitting the largest pay application to the purchasing team to pay a bill for the LL Blvd. project. The largest amount previously was 6 million, and today I will be submitting one for 10 million. There are around 100 employees out there and they are working non-stop on this project. They are a little bit ahead of schedule and are working really hard to stay on track. Castillo’s is now a certified local company, and they will be doing all the concrete for this project, so that is really exciting. Overall, this project is moving forward, and we are spending big money. We also have some architectural projects and we are going to go over them one by one.
- The first is the Fire Station 1 upgrade/remodel. Mr. John Gabaldon stated that the station had been remodeled over 20 years ago. This is a firehouse not a fire station, so we are going to retool the whole interior, putting in bathrooms because right now we have 6 firefighters and 2 bathrooms which in not working. We are also going to add a space with locker rooms and more facilities. They will also include living quarters which will help with their health and safety as well as their mental health. This area will help them decompress together rather than separate. With this remodel, we will be able to have 8 firefighters there and this will allow for potential growth within the department. It will also be remodeled from the outside as well allowing our trucks to fit and with that ability, we will be able to order the new firetruck we have been wanting. For this project, we have 1.1 million that you have given us, 500,000 that we’ve gotten from the state grant, and we are setting aside 100,000-200,000 for anything that might happen.
- The next item we have is parks, which we have many projects happening right now. We had 7 parks when I was hired 30 years ago, and now we are up to 18. Mr. Jason Gonzales took over to talk about the Rancho Valencia Park. There are three phases to this

project. Phase one includes two separate playgrounds, a workout area, and a basketball court were included in phase one. We are hoping to have a grand opening in April. Phase two we are hoping to get some pickleball courts, which we will be looking into next year. We are also working on a grant for the trail project so that we can get some nice walking trails through Rancho Valencia. The next park is Los Cerritos Park. We received 3.6 million to start this park and we are at a 90% design completion. We are hoping to start construction here in April. This will include turf areas, gazebos, volleyball courts, pickleball courts, lighting, playgrounds and a walking area all the way around the 7 acres. We have to spend 3.6 million by June and then we will have the rollover from the general fund, and we can finish it by the end of the summer. The next park is the River Park Trail. We have done a lot of maintenance on this trail, and we have completed a lot of the funding we have for it. I have talked to the MRGCD and they are finally going to let me build some trails. They are going to go through and clear out areas like they did on the south side of the bridge so that we can work with the area. We want the trails to span from the old bridge to the new bridge which will be awesome.

- The next item we will move to is the "Current Civil Projects". There are these large projects, but there are also a lot of smaller projects that we are working on that are not on this list. Of course we will talk about the LL Blvd. It was highlighted recently that it is the largest locally lead project in the state's history with the size of our community. We also have the title of the longest bridge in the state as well, which is a huge accomplishment for our team. We will continue to do weekly updates to ensure that this project remains on schedule. The duration of this project is 940 days and we have used 143 which has cost us 32 million so far. We are looking at completion in April of 2029. The council mentioned that it would be helpful to keep the status of the project up to date on our website so that when they receive questions, they can point people to the website. We also have the hospital project with the Palmilla Road Extension. This will extremely help congestion with the hospital once completed. Cost is going to be around \$325,000 and is set to be complete around April 2026. The other project we are working on is Sandsage Street & NM 6. We are working on median improvements that are going to happen. We are 30% complete with design, construction to begin in August of 2026 and is going to cost us around \$400,000. With Edeal Road & NM6, we are looking to add some lanes and traffic lights on NM6. With the LL Blvd, we expect this to be a highly traveled road, and we want to be prepared. We are 95% complete with design and the estimated cost will be around 3 million. Hunning Ranch Loop East & NM 6 is also a project we are looking at to get that traffic flowing during peak time. We are running a traffic analysis and estimated cost will be around 2 million. We are always working on drainage and stormwater improvements throughout the village, and we are wanting to relocate the retention pond on Helen Court. The next big project is the I-25, NM 6 offramp project. We have put in additional lanes and have really worked with DOT on the traffic lights to get the afternoon traffic flowing a little better. The design was completed in 2024, and we started working in July 2025. We are looking for this project to be completed in April 2026, and we are excited to get that construction out of there. Total cost for this project was 5 million. We also noticed a lot of traffic in the mornings on NM 263 intersection, and we are about 99% complete with our design, we are working with NM DOT to get that fully complete to relieve some traffic on that end as well. Construction is set to start by the spring of 2027 and is estimated to cost 4.9 million. This will include the addition of some lanes and a traffic light to allow everyone to get through. Next up is the NM 6/Sun Ranch intersection improvement project. We are about 60% complete with design and are looking to start construction by July of 2027. The turn onto NM 6 is now becoming a safety hazard and we are going to need to do something about it. This will cost around 3.8 million and we will hopefully have complete design around early summer of 2026. Michael asked if there were any questions about the Current Civil Projects – there were none.
- Next item will be the "Current Water & Wastewater Projects." The first thing I want to bring up is a huge thank you to the council or the water rate increase that has been able to help us out with these projects and has made a huge difference. We are doing some water well conversions from our current treatment for arsenic to CO2 which is a lot less hazardous and will help prevent rust in the future. We are also working on a water well 4 rehab which will include tank inspections and drilling for new well and booster station. We are also working with IT to hopefully get that information from the tanks back to us so that we can always receive the information. We are also working on a lot of Wastewater projects that include the MBR Cassette Replacement along with the Digester No. 1 rehab, a new administration and laboratory and some manhole rehabilitation. This is also helping us move a lot of waste out of Carson and into the new bypass on Morris. I am also working on a 2014 water/wastewater master plan, and we have met most of the objectives of those improvements. We also have a new processing facility and Molzen is working on updating the plan so we can figure out what the next 10-15 years are going to be. There are a few neighborhoods that need to be updated including Longbow Loop, Gallahad Street, and Lancelot Street. We want to get a new AC waterline replacement, some sewer line rehabilitation, some roadway resurfacing, sidewalk repair and ADA improvements. The next project is the Central New Mexico Rail Park which we have been able to install water, sewer, and fiber optics to the railroad tracks. Our booster station design is 100% complete and we are shovel ready in our load out station. The Los Lunas Boulevard east side utility project is the next project we are looking at. We are going to be out for bids here soon and we look forward to bringing them to council and getting it started. Our last project I have here is the Solid Waste Projects which include the Plastigas Facility, a new composting facility and future administration building. We have already made so many improvements out there that we are proud of.
- The next item is "Architectural Projects". Recently we received some funding for the PD and we are looking for ways to use this funding for the better. Once we sign the paperwork, we need to look for ways to spend the money which needs to be used for a new PD. The ultimate goal is to relocate the PD to somewhere else in the village so that they have their own building which would free up space in this building for Community Development and Administration. Councilor Chavez asked if we had any idea where we would put a new police department to which Gregory Martin replied that we have not done any kind of study as of now. Moving the PD will also allow for some Village Hall modifications to help it run smoothly. We are also looking at the lot across the street where they were going to expand KGE, but they decided not to expand. We can also investigate that property as well because it was state

property and the schools have now acquired it. A new Fire station is also in the talk, I know that we built our second station, but we are always looking for expansion. We are talking about a property to have one and we just need to find a systematic station to get that going. Our community is growing and we want to grow with it.

- Break – 10:00am

- The next large architectural project is the New Library project. Ms. Cynthia Shetter took over for this presentation. The pros for a new Library would be that the Village already owns the land, there will be a clear site line from entrance on Main Street, there will be a second entrance/exit on Don Diego, it meets the current and future population needs, it is a new energy efficient building, there will be more amenities and have an increased parking capacity. The cons would be having to relocate while under construction, and there would be a long disruption to surrounding services, businesses and residents. We have now grown back up to pre-covid numbers and with a new building we will be able to have more children benefit from the places that we will be able to provide. We have outgrown many of our rooms because there is not enough space for the growth we have had. We keep looking for funding and will continue to look for funding for this. We are looking at a total cost of about 8.3 million. We are looking at options with the permission of the council, to reach out to our bonds and see if they can work with us because most projects like this do not get a lot of funding. The two-story building will last longer but we have also been provided with a single-story option. Councilor Romero stated that we should make the library project a priority above the aquatic center, which both offer quality of life, but this would really help the education of the children in this community. We also offer notary services that we do not charge for but are utilized multiple times a week. The next big project we have is the Aquatic Center. Mr. Michael Jaramillo and Mr. Jason Duran took the presentation over for this project. The aquatic center, like the library, are not projects we are working on or have funding for, they are projects that we feel we will need, and we are looking at opportunities to get them funded. We have also been looking for funding for this, but we are having the same setbacks as Cynthia. Most aquatic centers receive funding for the therapeutic aspect rather than the play aspect, so we may look into a therapeutic pool to help funding come our way. Next project is the Centennial Park in Los Senderos, which is a 40-acre park that we can do a lot with. We want some soccer fields, baseball fields, another recreation center, and much more. We have no space for the number of teams that we have, and this will help relieve that situation of how crowded we are now. It would also be visually appealing for people passing on I-25 to see a big, beautiful park. We will put lights around the fields by the interstate as to not disrupt our community with the lights being close to their house. Another park that is getting ready to be geared up is Sierra Vista Park along NM 6. It is a little pocket park that is not managed by the village. We are working to get with the developer to create a 7-acre park that we can help grow and add many amenities.
- The next item is the “Future Civil Projects” also presented by Mr. Michael Jaramillo. The Los Lunas Boulevard and Huning Ranch Loop Extension and commencing design in May 2026. The goal is to complete them before the boulevard competition. This will add another way while adding two roundabouts and alleviating traffic on NM 6. The developers that come in are actually building our infrastructure for us and we will remain a little bit ahead of them. We are talking agreements so that we can get started and paid back through our phasing. Mayor Greigo emphasized how important it is to get those projects done and get our roads complete. We need to get that traffic and congestion under control, and we need to know that we can get those projects done. Mr. Jaramillo said that they absolutely can complete these projects. The NM 6 intersection and connectivity also is something we are looking at. We want to do some signal modifications to help traffic flow west of I-25. We are also looking at a possible streetlight at Jubilee, and after speaking with the residents, they also like that idea to help with the traffic around their homes on I-25. We are also talking about the Los Lunas West Loop & I-25 interchange near Isleta. We are wanting to grant access to the freeway for the new builds on the north side. This would free a lot of traffic on NM 6 from the people in those houses. We have been talking to Isleta and they are up to have an access road from 314 to I-25, but there are many hoops we have to jump through to get approval from the Isleta Board. We have a few ideas we want to bring to them, but we want to make sure that we are respectful of their land and burial sites. Mr. Alex Ochoa came to give break down on the property and how the developers work with planning and zoning. There are many parts to this potential project, and it will take time. Our next project is the New Streets Warehouse. We already did an extension to the current Streets building and we believe that it should be good for at least another 20 years when it comes to personnel. The biggest issue we have is the maintenance area that we keep our material in. We are really focused on locating our materials that have been on the east side Don Pasqual. With our Fleet Maintenance, we are looking at potential growth in the future. With growth in the village there will be more vehicles and more maintenance that will be required.
- The next subject is the “Future Wastewater Projects”. We are in need of a new MBR-2 facility. This will include second train of MBR treatment facility, will double the flow of plant from 2.7 MGD to 5.4 MGD, will utilize latest MBR equipment technology, and come in around 50 million. The facility we have now has been great but has been there for 50 years. With everything advancing we need to move up with the times, and we are hoping to bring plans and complete designs to you within the next 5 years. Councilor Chavez asked if it was possible in the future to have a facility on the west side. Jerry for Molzen said that it is more efficient to have just one but it was not impossible.
- The next project is for Solid Waste. We talked a little bit about what's going on. I will tell you that one of the things that we are working on because of the growth over there, that I have sufficient funding and we can locate some grants as well. We are looking at building a new administrative building that would support 30 years of growth, even though we're going to utilize the existing building that we have now that we modified which is the old clinic. The other half of the building that we occupy runs really well, but there's so many people there that use it because we have about 18-19 employees working there, including the leadership, so we're kind of outgrowing that. But now with the composting facility, it is completed.

- The next on the slide is "Other Projects/Initiatives. Ms. Nancy Jo Gonzales presented this item and began with the workforce housing. So, we have, we've put together a list of action items, one of which being checking the appraisals. I've worked with Larry and the previous appraiser and the appraiser that we got in 23' is still valid. Now, we have received a certified letter, so the property value still stands, noting that there's not been a significant change in the in the market. So, total with all three lots we have, we're still at about \$1.3 million value. We're also looking at factors in the flood zone so I've worked with Alex on that and we will take the steps if you all decide to move forward with this. I think a lot of it will depend on what those quotes come back as. The cost of, raising the elevation, putting utilities in will be something that you all will have to figure out if you want to invest in because it's not going to be cheap. But, in order for the product to be affordable workforce housing, I think we do have to provide this land as a shovel ready product for the end developer.
- Ms. Nancy Jo continued with item two in this section which included the School of Dream Academy (SODA). I've been in as much contact as I can possibly be with soda. I last heard from them in late December right around the holidays that they would be sending over their design for their full build. I have reached out and have not heard back on their end of their project and we continue to try and get information from them, but it's been a little bit difficult. I do know that that's something you all want to know when we have information. So, we will continue doing our best to get that information. Michael stepped in to let Nancy know that the SODA group had agreed to meet with this sometime in the next few weeks and that he would let Nancy know so that she can be in attendance and they can get an update for the council.
- Lunch - 11:45am
- The next topic in the presentation is going to be the Village Centennial Celebration in 2028. Mr. Gregory Martin presented this item. It's a little bit early, but we're getting a committee going internally and welcome to hear any input that the Village Council and mayor have. We are just trying to look ahead to do some fun and meaningful, historical, but also future-looking projects to celebrate the Centennial. We can do some kind of community event. Hopefully this doesn't spoil anything, but we're trying to restore one of our old fire trucks that we can run hopefully in the parade and for future parades. We are also working on some park projects, some historical projects through the museum and just anything and everything in the process of brainstorming about the new Centennial coming up. We will also do some rebranding for the village so that everybody knows that we're celebrating our Centennial and feel like that's an appropriate use of time and resources and we'll bring back some ideas and present that at a later date.
- The next item is the future Route 66 Visitors Center. This will possibly be at the old Jesus Gallegos Residence. It will include many historical artifacts and help visitors know who we are where we come from. We are a community built on history, and we want to share that with others. Ms. Cynthia Shetter also added the process of taking an old picture and sending them in to be analyzed to see where we are now. We are also taking an oral history from older generations to get as much history verbally and photos as well. We have also been asked to put up Route 66 banners on the lights throughout the community and paint them on our roads, which we are really excited to do.
- Mr. Luis Brown brought the cybersecurity item in the presentation. Cybersecurity is very important that we maintain. We will need to bring a cybersecurity briefing to mayor and council, possibly in executive session. We also have been hitting the training hard so that we can keep the emails and the village safe. When a fishing email gets clicked on, we ensure that the person gets trained again on how to deal with them coming up in the future. We are also going through penetration testing as we speak so that we can see where our holes are and where we can patch them up. The other thing is the infrastructure and the communications within the village. We have a fair amount of our own fiber infrastructure running around the village. We have worked really hard on improving these fibers. We have moved over to Plateaus network, and they have been very helpful and have helped save us some money as well. We also found out that we can charge a franchise fee on all internet connections. Mr. Michael came up to thank Luis for getting connections and communications to the transfer station these past few years and that has helped tremendously. We have also provided them with potable water and got rid of the septic tanks and now are connected to sewers, which is amazing. This is always a team effort and we appreciate everyone's help.
- Mr. Gregory Martin came up to close the presentation. He thanked mayor and council and the leadership team for all the hard work they did and for being there and sharing their input. We are happy that we can take a day to keep the council informed on all the projects that we are working on and what we hope to work on in the future.
- Adjourned - 1:30pm

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**Gregory D. Martin, Village Administrator**

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**Charles Griego, Mayor**