



**NOTICE OF CITY OF ELEPHANT BUTTE
SPECIAL CITY COUNCIL MEETING
103 Water Avenue, Elephant Butte, NM 87935
Friday, March 20, 2026 – 2:00PM**

Minutes*

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Pro Tem Skinner called the meeting to order and Councilor Arnold led the pledge of allegiance.

2. ROLL CALL

Mayor Richard Holcomb – Present by Zoom
Mayor Pro Tem Kim Skinner – Present
Councilor Cathy Harmon – Present
Councilor Michael Williams – Present
Councilor Skylar Arnold – Present

City Clerk Cobleigh conducted a roll call and declared a quorum.

3. APPROVAL OF AGENDA – Council Declaration of Conflict of Interest

Councilor Williams made a motion to approve the agenda as submitted. Councilor Arnold seconded the motion. 4-0. (*Voice vote only, no roll call.*)

4. PUBLIC COMMENT

STATEMENT OF OPEN MEETINGS RESOLUTION & 3 MINUTE LIMIT PER SPEAKER ON ALL ISSUES

Public comments can be made in person, by phone or given to the City Clerk by email (l.cobleigh@cityofebnm.gov) before the meeting.

Edna Trager, 505 Lakeshore Drive and Co-Owner of Zia Kayak Outfitters at 310 Rock Canyon Road – Here in opposition to the proposed GRT increase. Small businesses in Elephant Butte are already operating on small margins. Trager stated that the increase in GRT effects all residents and visitors alike. Individuals traveling to Elephant Butte from Albuquerque will shop there before coming here. Less revenue for all and less tax revenue for the city. Trager stated she has questions and knows the council cannot answer. 1. What spending reductions or efficiency measures were considered and rejected before bringing this proposed increase forward for vote? 2. Has the city conducted any economic impact analysis on what this tax rate increase along with water rate increases will do to local business activity? 3. What economic development is the city working on so the tax burden isn't solely on the shoulders of the small number of businesses? 4. Two days ago, the state engineers office confirmed the water will start to be released from the lake as early as May and the lake level is projected to go as low as 2.5%. Has this been considered for the impact on local businesses? The City of Albuquerque did not have satisfactory answers to similar but unique questions. Early this week the City of Albuquerque voted against raising their GRT with a vote of 8-1. Trager ended her comment by urging the council to vote against the increase.

5. PUBLIC HEARING

a. Ordinance 228 - An Ordinance Adopting A Municipal Gross Receipts Tax

Mayor Pro Tem Skinner requested a roll call to enter the public hearing.

Mayor Richard Holcomb – Present by Zoom
Mayor Pro Tem Kim Skinner – Present
Councilor Cathy Harmon – Present
Councilor Michael Williams – Present
Councilor Skylar Arnold – Present

City Clerk Cobleigh conducted a roll call and declared a quorum.

Mayor Pro Tem Skinner asked if all legal notices had been posted. City Clerk Cobleigh certified all notices were posted.

Lindsey Cobleigh, City Clerk swore in all parties as a group who wish to testify at this public hearing;
Janet Porter-Carrejo, City Manager.

City Presentation

Janet Porter-Carrejo, City Manager presented the ordinance as drafted and read its entirety for the record of the public hearing. No additional evidence was provided by staff.

Councilor Harmon – No Questions

Council Williams – No questions, a statement that the previous governing body was not happy when the Governor cut the GRT and now the current governing body is playing catch up. Councilor Williams stated that the State Parks almost doubled their rates so they could keep up and this increase will not hurt any businesses.

Councilor Arnold – No questions, a statement that this will make Elephant Butte in line with both TorC and Williamsburg on their GRT rates as well.

Mayor Pro Tem Skinner – No questions, stated in 2021 the Governor cut the tax rates and lowered them in 2022 and again in 2023. Before the tax cuts Elephant Butte and Williamsburg were the exact same. This is an ordinance to catch up to where we were before the tax cuts happened in 2021. Mayor Pro Tem Skinner stated for the record that the finance department had provided a spreadsheet of the increase in expenses over the last 4 years with an increase of 5% over the past 4 years. Mayor Pro Tem Skinner stated that the city has three employees less than in 2021. Mayor Pro Tem Skinner stated that this will be the same GRT that is already in place in Williamsburg and TorC currently that she sees a majority of the present public at those local places shopping. Mayor Pro Tem Skinner stated for the record of the minutes that there was public comment received by the City Clerk via email that had been provided in the public hearing packets and to include in the minutes.

Public Comments – Via Email

- Allow me to explain how the City of Elephant Butte will result in netting less come should it increase GRT, by using real numbers. Zia Kayak Outfitters has been the largest specialty kayak retailer in the state for what will soon be 15 years. Zia has enjoyed being the only Hobie Kayak dealership and has drawn customers from AZ, CO, TX as well as NM. However, on Sept. 24, 2025, Bass Pro/Cabela's parent company, White River Marine Group, bought Hobie Cat Company. As such, it is expected that Cabela's in both Albuquerque and El Paso will soon stock/sell Hobie Kayaks. Since Zia Kayaks is a Hobie Service Center with much experience and clerks at Bass Pro and Cabela's are lightly trained hourly paid employees forcing customers to pretty much function on their own. I am expecting money to have an effect. Retail sales prices will be the same, so money will be GRT. Now, Elephant Butte is 7.9375 and ABQ is 7.625. Resulting difference is pennies. But should Elephant Butte increase GRT .4375, totaling 8.375. That difference becomes lots of dollars, as most Hobie kayaks are \$3000 to \$5000. If Elephant Butte raises GRT, we will lose customers from ABQ Zia has averaged 80 to 100 kayaks purchased per year and by increasing GRT, the loss could be as high as 50% of potential customers. The City of Elephant Butte will lose an estimated \$20,000 income July to July. I could go on estimating lost income thinking of places like Turtleback Mountain golf pro shop

selling Ping golf clubs, items bought from Pat's that people will buy from home rather than wait till they get here. ETC. I will end this by saying, City of Elephant Butte Governing Body, please don't kill off the few retailers the city possesses and at the same time dissuading new retailers from coming here.

Russ Trager
Zia Kayak Outfitters
310 Rock Canyon Rd.

- Major problem for EB. ABQ voted to NOT raise their GRT. Elephant Butte is going to have problems enough with lake being even lower than last year. Raising GRT will make it even worse here. PLEASE DON'T DO IT.
Russ Trager
Zia Kayak Outfitters
310 Rock Canyon Rd
- My name is Holly Marino a licensed business owner in Elephant Butte. I have been informed of a meeting tomorrow about increasing the gross receipts tax in Elephant Butte. I am totally against this idea for small businesses in this little town. I will shut my business down because I pay enough each month just for one person business. Please do not do this!
- To Whom it May Concern,
I am writing this letter to ask that the City of Elephant Butte refrain from raising current tax rates. I cannot attend the public forum on March 20, so I would like to add my voice to those who are against the measure. I own Bigfoot Restaurant at 212 Warm Springs Blvd. in Elephant Butte. As a small business owner, I have seen near-crippling food price increases over the past year. I have done my best not to raise menu prices for my customers, but the increases in food, supplies, credit card fees, etc. leave me no other choice. As a business owner, I am being squeezed more & more. Inflation has made it hard enough to keep taxes paid as it stands. Profit keeps shrinking. I, like many others in our community, cannot afford to carry additional tax weight on our backs. I do not want to ask my customers to pay more out of pocket on their final bill if a higher tax rate is implemented. They will be less willing to spend on drinks, dessert, etc. if they see their totals keep going up. Our customers will also be less likely to tip our servers - and as a businessperson, I am desperately trying to provide my crew with a livable wage. These are harsh economic times for a large majority of this country. Please do not ask businesses, tourists, and residents of Sierra County to shoulder any more financial burden. Thanks for your consideration,
Steve Gentry
Bigfoot Restaurant

Public Comments – In Person

Lindsey Cobleigh, City Clerk swore in all parties as a group who wish to testify at this public hearing, Edna Trager and Patrick Hopkins.

Edna Trager, 505 Lakeshore Drive – Trager stated she did have a memory of when the tax was reduced and the governing body at that time decided to stay with the lower tax. It was discussed. That was the decision at that time and Trager stated she is talking about the decision today, here, now. Based on today there are higher tax rates that we are paying in TorC and Williamsburg, but we will still be higher than El Paso and Albuquerque. For her specific business that has high dollar products it does make a difference its not just pennies. Trager stated these are \$3,000.00 - \$5,000.00 items being taxed at a higher rate. Trager thanked the council for the thought. Trager mentioned that also anyone who has to import goods for their businesses are affected by the tariffs and high oil prices which all goes into shipping and delivering.

Patrick Hopkins, 210 Rio Grande Circle – Stated he is not here in opposition of the raising of the GRT. Hopkins stated that a few weeks ago he attended the City of Elephant Butte Planning Workshops. Hopkins stated one thing he heard during that workshop was there is grant funding out there we could be applying for but we do not have the matching funds. There are a lot of businesses within the city that are exempt from the GRT because they are treated as rentals or storage yards. The state parks receive their fees and no percentage is given back to the city. Hopkins stated what he understood is that the city is short on employees that they could really use but the funds to pay them isn't there. The revenue has to come from somewhere. Hopkins stated we as a city have to move forward. Stated he doesn't like to support tax increase but we have to do something.

Councilor Williams made a motion to approve Ordinance 228 An Ordinance Adopting A Municipal Gross Receipts Tax. Councilor Harmon seconded the motion. 4-0. Motion Carried.

City Clerk Cobleigh conducted a roll call vote.

Mayor Pro Tem Skinner – Yes

Councilor Harmon – Yes

Councilor Williams – Yes

Councilor Arnold - Yes

Motion Carried.

Ordinance 228 has been unanimously approved and adopted by the Governing Body. Notices of Adoption are to be posted at all adopted posting locations in accordance to the open meetings resolution.

6. REGULAR ITEMS (DISCUSSION POSSIBLE ACTION)

a. Discussion/Possible Action: Resolution 25-26-125 Water Rate Schedule

City Clerk Cobleigh introduced this resolution as it had been requested at the March 11, 2026, meeting. Cobleigh stated that with this resolution it will repeal the previous in place fee schedule that was for both water and wastewater and just be for the water rates. Cobleigh stated that the rates are at the 8% increase as requested by the city council to match the rate increase of NM Water.

Councilor Williams made a motion to approve Resolution 25-26-125 Water Rate Schedule. Councilor Arnold seconded the motion. 4-0.

City Clerk Cobleigh conducted a roll call vote.

Mayor Pro Tem Skinner – Yes

Councilor Harmon – Yes

Councilor Williams – Yes

Councilor Arnold - Yes

Motion Carried.

b. Discussion/Possible Action: Resolution 25-26-126 Sewer Rate Schedule

City Clerk Cobleigh stated this resolution is for housekeeping purposes only and there are no changes to the rates for the wastewater or associated fees. This was due to separating the previously repealed resolution where water and wastewater rates were on one resolution.

Councilor Williams made a motion to approve Resolution 25-26-126 Sewer Rate Schedule. Councilor Harmon seconded the motion. 4-0.

City Clerk Cobleigh conducted a roll call vote.

Mayor Pro Tem Skinner – Yes

Councilor Harmon – Yes

Councilor Williams – Yes

Councilor Arnold - Yes

Motion Carried.

- c. Discussion/Possible Action: Resolution 25-26-127 TPF Grant Application
City Manager Porter-Carrejo introduced this resolution to the mayor and council and detailing the roadway that the TPF Grant Application would cover is Country Club Blvd.

Councilor Williams made a motion to approve Resolution 25-26-127 TPF Grant Application.
Councilor Harmon seconded the motion. 4-0.

City Clerk Cobleigh conducted a roll call vote.

Mayor Pro Tem Skinner – Yes

Councilor Harmon – Yes

Councilor Williams – Yes

Councilor Arnold - Yes

Motion Carried.

- d. Discussion/Possible Action: Resolution 25-26-128 Right-of-Way Management
City Manager Porter-Carrejo introduced this resolution to the mayor and council as a supporting document to the recently adopted ordinance 227 which repealed all prior Right-of-Way ordinances. This resolution will set the fees associated with the permitting and repair to city roadways.

- e. **Councilor Arnold** made a motion to approve Resolution 25-26-128 Right-of-Way Management.
Councilor Harmon seconded the motion. 4-0.

City Clerk Cobleigh conducted a roll call vote.

Mayor Pro Tem Skinner – Yes

Councilor Harmon – Yes

Councilor Williams – Yes

Councilor Arnold - Yes

Motion Carried.

7. ADJOURNMENT


Pro Tem Skinner adjourned the meeting.

Minutes approved and adopted at the City Council meeting on April 8, 2026



ATTEST:


Lindsey Cobleigh, City Clerk


Richard Holcomb, Mayor

