

Commission Meeting Agenda



Mayor

Samuel D. Cobb

City Commission

R. Finn Smith – District 1
Christopher R. Mills – District 2
Larron B. Fields – District 3
Joseph D. Calderón – District 4
Dwayne Penick – District 5
Don R. Gerth – District 6

City Manager

Manny Gomez

May 20, 2024



Hobbs City Commission
Regular Meeting
City Hall, City Commission Chamber
200 E. Broadway, 1st Floor Annex, Hobbs, New Mexico

Monday, May 20, 2024 - 6:00 p.m.

Sam D. Cobb, Mayor

R. Finn Smith
Commissioner – District 1

Christopher R. Mills
Commissioner – District 2

Larron B. Fields
Commissioner – District 3

Joseph D. Calderón
Commissioner – District 4

Dwayne Penick
Commissioner – District 5

Don R. Gerth
Commissioner – District 6

A G E N D A

City Commission Meetings are
Broadcast Live on KHBX FM 99.3 Radio and
Available via Livestream at www.hobbsnm.org

CALL TO ORDER AND ROLL CALL

INVOCATION AND PLEDGE OF ALLEGIANCE

APPROVAL OF MINUTES

1. Minutes of the May 6, 2024, Regular Commission Meeting (*Jan Fletcher, City Clerk*)
2. Minutes of the May 6, 2024, Commission Work Session (*Jan Fletcher, City Clerk*)
3. Minutes of the May 13, 2024, Special Commission Meeting (*Jan Fletcher, City Clerk*)

PROCLAMATIONS AND AWARDS OF MERIT

4. Recognition of City Employees - Milestone Service Awards for the Month of May, 2024 (*Manny Gomez, City Manager*)
 - 5 years – Bryan Wagner, Parks and Open Spaces Department
 - 5 years – Natalie De La Cruz, Recreation Department
 - 10 years – Nancy Tovar, Municipal Court
 - 10 years – Doug McDaniel, Recreation Department
 - 15 years – Ryan Herrera, Hobbs Fire Department
 - 20 years – Joseph Hill, Recreation Department
5. Proclamation Proclaiming the Week of May 19 – 25, 2024, as “*Emergency Medical Services Week*” (*Mark Doporto, Fire Chief*)

PUBLIC COMMENTS (*Citizens who wish to speak must sign the Public Comment Registration Form located in the Commission Chamber prior to the beginning of the meeting.*)

CONSENT AGENDA (*The consent agenda is approved by a single motion. Any member of the Commission may request an item to be transferred to the regular agenda from the consent agenda without discussion or vote.*)

6. Resolution No. 7476 – Authorizing Support of Water Reuse Rule by the New Mexico Water Quality Control Commission (*Mayor Sam Cobb*)
7. Consideration of Approval of RFP No. 549-24 to Provide Kennel Cleaning Janitorial Services at the Hobbs Animal Adoption Center and Recommendation to Accept Proposal Submitted by Classi Clean, LLC. (*Jason Herrera, Police Lieutenant; and Jessica Silva, Community Services Superintendent*)

DISCUSSION

None

ACTION ITEMS (*Ordinances, Resolutions, Public Hearings*)

8. Resolution No. 7477 – Approving the FY 2024-2025 Preliminary Budget (*Toby Spears, Finance Director*)

9. Resolution No. 7478 – Authorizing Approval of a Grant Agreement with the New Mexico Department of Cultural Affairs, State Library Division, in the Amount of \$136,581.60 for the Hobbs Public Library (*Nicki Lawless, Library Director*)
10. Resolution No. 7479 – Approving the First Amendment to the Professional Services Agreement Between the City of Hobbs and the Economic Development Corporation of Lea County for FY 2023-2024 (*Valerie Chacon, City Attorney*)
11. Resolution No. 7480 – Approving a Memorandum of Agreement Between Lea County and the City of Hobbs for Affordable Housing Projects and Housing Infrastructure Programs (*Valerie Chacon, City Attorney*)
12. Resolution No. 7481 – Rescinding Condemnation on Certain Properties That Have Previously Been Determined to be Ruined, Damaged, Dilapidated and a Menace to Public Comfort, Health and Safety (*Amber Leija, Assistant City Attorney; and Jessica Silva, Community Services Superintendent*)
13. Consideration of Approval of Bid No. 1608-24 to Furnish Labor and Parts for Pump Repair and Recommendation to Accept Bid from WHB Pump Sales, LLC (*Tim Woomer, Utilities Director*)

COMMENTS BY CITY COMMISSIONERS, CITY MANAGER

14. Next Meeting Dates:
 - **City Commission Regular Meetings:**
 - Monday, June 3, 2024, at 6:00 p.m.
 - Monday, June 17, 2024, at 6:00 p.m.

ADJOURNMENT

If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the above meeting, please contact the City Clerk's Office at (575) 397-9200 at least 72 hours prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the City Clerk's Office if a summary or other type of accessible format is needed.



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 20, 2024

SUBJECT: City Commission Meeting Minutes

DEPT. OF ORIGIN: City Clerk's Office
DATE SUBMITTED: May 16, 2024
SUBMITTED BY: Jan Fletcher, City Clerk

Summary:

The following minutes are submitted for approval:

- Regular City Commission meeting held on May 6, 2024
- Work Session of the City Commission held on May 6, 2024
- Special Commission meeting held on May 13, 2024

Fiscal Impact:

Reviewed By: _____
Finance Department

N/A

Attachments:

Minutes as referenced under "Summary".

Legal Review:

Approved As To Form: _____
City Attorney

Recommendation:

Motion to approve the minutes as presented.

Approved For Submittal By:



Department Director

City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

Resolution No. _____	Continued To: _____
Ordinance No. _____	Referred To: _____
Approved _____	Denied _____
Other _____	File No. _____

Minutes of the regular meeting of the Hobbs City Commission held on Monday, May 6, 2024, in the City Commission Chamber, 200 East Broadway, 1st Floor Annex, Hobbs, New Mexico. This meeting was also broadcast via Livestream on the City's website at www.hobbsnm.org.

Call to Order and Roll Call

Mayor Sam Cobb called the meeting to order at 6:00 p.m. and welcomed everyone to the meeting. The City Clerk called the roll and the following answered present:

Mayor Sam D. Cobb
Commissioner Joseph D. Calderón
Commissioner Larron B. Fields
Commissioner Dwayne Penick
Commissioner Don Gerth

Absent: Commissioner Finn Smith
Commissioner Chris Mills

Also present: Manny Gomez, City Manager
Todd Randall, Assistant City Manager
Valerie Chacon, City Attorney
Medjine Douyon, Deputy City Attorney
August Fons, Police Chief
Shane Blevins, Deputy Police Chief
Danny Garrett, Police Captain
Toby Spears, Finance Director
Tim Woomer, Utilities Director
Anthony Henry, Acting City Engineer
Nicki Lawless, Library Director
Bryan Wagner, Parks and Open Spaces Director
Lou Maldonado, Parks and Open Spaces Superintendent
Matt Hughes, Rockwind Superintendent
Doug McDaniel, Recreation Director
Edward Trevino, General Services Fleet Manager
Meghan Mooney, Communications Director
Nicholas Goulet, Human Resources Director
Tracy South, Assistant HR Director
Shannon Arguello, Municipal Court Administrator
Selena Estrada, Risk Manager
Julie Nymeyer, Executive Assistant
Christa Belyeu, I. T. Director
Jan Fletcher, City Clerk
Alyxandra Salas, City Clerk Record Specialist
12 citizens

Invocation and Pledge of Allegiance

Commissioner Fields delivered the invocation and Commissioner Calderón led the Pledge of Allegiance.

Closed Session

Mayor Cobb stated the City Commission convened in closed executive session on Monday, April 29, 2024, at 5:00 p.m. for the discussion of matters subject to the attorney-client privilege pertaining to threatened or pending litigation in Federal or State Courts in which the City is or may become a participant, specifically concerning PFAS chemicals. No decision was made and no action was taken on the matter.

Approval of Minutes

Commissioner Calderón moved the minutes of the regular meeting of April 15, 2024, be approved as written. Commissioner Gerth seconded the motion and roll call vote was recorded as follows: Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried.

Proclamations and Awards of Merit

Mayor Cobb proclaimed the month of May, 2024 as "*Motorcycle Awareness Month*" in Hobbs, New Mexico. Mayor Cobb thanked the community for their recognition of motorcyclists and raising awareness, along with the NHTSA for the safety of these motorcyclists on Hobbs roadways. He presented the proclamation to President Danny Garrett and Vice President Brian Belyeu of the Blue Knights International Law Enforcement Motorcycle Club. They urged all drivers to exercise caution and awareness of others, particularly those on motorcycles.

Mayor Cobb proclaimed the week of May 5 – 11, 2024, as "*Professional Municipal Clerks Week*". Mayor Cobb also thanked the Commission for recognizing the employees of the City Clerk's Office. He expressed gratitude to the employees for their hard work and contribution to the city. He presented the proclamation to Ms. Jan Fletcher, City Clerk, and the City Clerk's Office staff: Ms. Alicia Jacobs, Ms. Alondra Coss and Ms. Alyxandra Salas.

Mayor Cobb proclaimed Saturday, May 18, 2024, as "*Kids to Parks Day*" and presented the proclamation to Mr. Bryan Wagner, Parks and Open Spaces Director. He stated special events will be held at Harry McAdams Park, City Park, Heizer Park and Del Norte Park beginning at 11:00 a.m. on May 18, 2024.

Public Comments

None.

Consent Agenda

Mayor Cobb explained the process for the consent agenda which is reserved for items which are routine when the agenda is lengthy. He stated any member of the Commission may request an item to be transferred to the regular agenda from the consent agenda without discussion or vote.

Commissioner Calderón moved for approval of the following Consent Agenda item(s):

Resolution No. 7465 - Approving the FY 2024 3rd Quarter Financial Report for the New Mexico Department of Finance and Administration

Resolution No. 7466 – Approving the Final Plat for the Wallace Acres Subdivision Located Within the City’s Extra-Territorial Jurisdiction as Recommended by the Planning Board

Resolution No. 7467 – Approving Amendment No. 2 to an Infrastructure Extension Development Agreement with ALJO, LLC, Concerning the Development of Public Infrastructures to Extend the Termination Date of the Agreement to May 1, 2025

Resolution No. 7468 – Approving Vacation, Dedication and Replat of Block 190 of the Carswell Addition in the City of Hobbs Located Southwest of the Intersection of Sanger and Turner

Resolution No. 7469 – Approving the Dedication of Property and Granting of Utility Easements on Adell Drive Located in Section 8, Township 18 South, Range 38 East, N.M.P.M., Lea County, New Mexico

Resolution No. 7470 – Authorizing the Mayor and City Manager to Enter Into a Legal Services Agreement with Baron & Budd, P.C.; Cossich, Sumich, Parsiola & Taylor, LLC; and Roybal-Mack & Cordova, P.C.

Resolution No. 7471 – Adopting Budgetary Adjustment #4 for FY 2023-2024

Commissioner Fields seconded the motion and roll call vote was recorded as follows: Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolutions and supporting documentation are attached and made a part of these minutes.

Discussion

Mr. Jordan Davis, Waste Management District Manager and two members of his team, Mr. Don Taylor and Mr. Kile Clark presented a PowerPoint presentation regarding several unsafe alley areas which should be converted to curbside pickup. Mr. Davis outlined the following:

- Area Under Review – Mr. Davis discussed the areas east of North Turner St, west of North Dal Paso St, and north of East Sanger St. which currently services approximately 427 customers.
- Safety and Service - Mr. Davis explained that safety is a very important factor in going forward and that it was agreed upon that these alleyways are very narrow for a commercial truck which could cause damage to meters and gas lines. He stated there is a potential to disrupt the service of customers.
- Hazards in Alley – Mr. Davis presented photographs of the area and stated most of the alleyways have water meters, gas lines, and poles that could be hazardous if hit by one of the commercial trucks and it could potentially cause service disruptions for customers.
- Transition Process– Mr. Davis proposed a plan to transition from alley collection to curbside collection with a proposed date of May 20, 2024. Customers would be notified 2 weeks in advance through mailers, door tags, emails and phone calls. Seniors will also be assisted, if needed, to move their polycarts from the alley to the curb.

Commissioner Fields expressed concern with debris potentially blowing out into people's yards as one of the City's big initiatives is the cleanliness of the City.

In response to Commissioner Fields' comment, a member of the Waste Management team explained in detail how the trucks function to prevent trash from blowing about.

Commissioner Calderón commented that Lovington has recently converted to all curbside collection and it is working well for them.

Commissioner Penick expressed his appreciation for the Waste Management team and all they do for the community. He also stated he has personally witnessed trucks driving without the lid shut causing trash to blow out. Commissioner Penick encouraged Mr. Davis and his team to educate the drivers to keep the lids closed to avoid trash blowing out of the truck.

Mayor Cobb commented the Commission takes this matter very seriously but it is not something that will be voted on tonight. He stated the proposed changes will be

considered for the specific areas discussed. He thanked Mr. Davis and his team for their attendance and presentation at tonight's meeting.

Action Items

Consideration of Approval to Purchase Hardware for Virtual Server Environment from Insight Public Sector in the Amount of \$358,914.08

Ms. Christa Belyeu, I.T. Director, stated that the I.T. Department at the City of Hobbs is requesting to purchase hardware for the Virtual Server Environment. I.T. believes an upgrade is essential to ensure all City software remains functional and efficient. Ms. Belyeu stated they were able to reduce the capacity and equipment needed which reduced the cost of the replacement. She stated this solution would be purchased from Insight Public Sector on Federal GSA Contract in the amount of \$358,914.08.

There being no discussion, Commissioner Penick moved to approve the purchase of Virtual Server Environment from Insight Public Sector in the amount of \$358,914.08. Commissioner Gerth seconded the motion and roll call vote was recorded as follows: Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. A copy of the supporting documentation is attached.

PUBLICATION: Proposed Ordinance Approving a Local Economic Development Act (LEDA) Project and Adopting a Project Participation Agreement with Space Jump, LLC, in the Amount of \$180,000.00

Ms. Valerie Chacon, City Attorney, explained the proposed ordinance and stated the City approved and adopted a resolution to support changes to the State of New Mexico's Municipal Local Economic Development Act. In 2003, the City adopted the LEDA Ordinance which allows for support of economic development projects. Ms. Chacon stated Space Jump has applied for funding of a project and meets the minimum threshold requirements. She explained the Project Participation Agreement in the amount of \$180,000.00 for a term of three years and the disbursements will be quarterly disbursements and will only be made after proper filing of the gross receipt tax to the State of New Mexico.

There being no discussion, Commissioner Penick moved to publish notice of intent to adopt the ordinance at a later date. Commissioner Gerth seconded the motion and roll call vote was recorded as follows: Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. A copy of the proposed ordinance and agreement are attached and made a part of these minutes.

PUBLICATION: Proposed Ordinance Approving a Local Economic Development Act (LEDA) Project and Adopting a Project Participation Agreement with HTEAO/HOLVAY, LLC, in the Amount of \$70,000.00

Ms. Valerie Chacon, City Attorney, explained the proposed ordinance and Project Participation Agreement for another qualifying entity of the LEDA funding. She stated HTEAO/HOLVAY, LLC, meets the guideline criteria and is eligible for \$70,000 for a term of two years with funds disbursed quarterly and will only be disbursed after proper filing of gross receipt tax.

There being no discussion, Commissioner Penick moved to publish notice of intent to adopt the ordinance at a later date. Commissioner Calderón seconded the motion and roll call vote was recorded as follows: Fields yes, Calderon yes, Penick yes, Cobb yes. The motion carried. A copy of the proposed ordinance and agreement are attached and made a part of these minutes.

PUBLICATION: Proposed Ordinance Amending Chapter 5.06 Relating to the Definition of Cannabis Consumption Areas

Ms. Valerie Chacon, City Attorney, explained the proposed ordinance and stated that the City Commission adopted Ordinance No. 1133 (Cannabis Regulation Ordinance) on October 4, 2021, which set forth time, place and manner rules for cannabis establishments in Hobbs. Along with time, place, and manner rules, the local jurisdiction may allow for the smoking, vaporizing, and ingesting of cannabis products within indoor or outdoor cannabis consumption areas. Ms. Chacon stated the local municipality has the authority to define "consumption area" and this proposed amendment clarifies the definition of cannabis consumption areas as only indoor consumption areas.

There being no discussion, Commissioner Gerth moved to publish notice of intent to adopt the ordinance at a later date. Commissioner Fields seconded the motion and roll call vote was recorded as follows: Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. A copy of the proposed ordinance is attached.

Resolution No. 7473 – Approving a Memorandum of Agreement with the Hobbs Municipal Schools for the Grant of Funds to be Used for the Construction of Public Roadway and Utility Infrastructure Adjacent to College Lane Elementary School

Mr. Todd Randall, Assistant City Manager, explained the resolution and agreement with the Hobbs Municipal Schools for an approval of grant of funds to be used for the construction of public roadway and utility infrastructure adjacent to College Lane Elementary School. Mr. Randall stated that City participation represents about 25% of the total cost for roadway construction on the south and east side of the school. He stated the school will also be making parking lot improvements and will give additional flow and access to the school.

There being no discussion, Commissioner Calderón moved to approve Resolution No. 7473 as presented. Commissioner Gerth seconded the motion and roll call vote was recorded as follows: Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and agreement are attached.

Resolution No. 7474 – Approving a Memorandum of Agreement with the Hobbs Municipal Schools for the Grant of Funds to be Used for the Construction Hybrid Crosswalk Signals at the Intersection of Bender/Brazos and Marland/Clinton

Mr. Todd Randall, Assistant City Manager, explained the resolution and agreement with the Hobbs Municipal Schools detailing the terms and responsibilities for each party regarding a fiscal contribution from the Hobbs Municipal Schools in the amount of \$150,000.00 towards purchasing, equipping and construction of two pedestrian demand crosswalk signals and ADA improvements at the intersection of Marland/Clinton and at Bender/Brazos.

Mr. Randall proudly introduced the new Acting City Engineer, Mr. Anthony Henry.

There being no further discussion, Commissioner Fields moved to approve Resolution No. 7474 as presented. Commissioner Penick seconded the motion and roll call vote was recorded as follows: Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and agreement are attached.

Consideration of Approval of RFP 548-24 for the Manhole Rehabilitation Project and Construction Services and Recommendation to Accept the Proposal from Infrastructure Rehabilitation USA, Inc.

Mr. Tim Woomer, Utilities Director, explained RFP 548-24 for manhole replacement and stated there have been several manholes identified by his team which need replacement. Mr. Woomer stated this process entails road closures, spending several days working on and removing the manhole, and setting up traffic control, since most sewer lines are located in the roadway. He states this is normally a very expensive and time-consuming project but he and his team have identified an easier way to get the job done. He stated the proposed contract with Infrastructure Rehabilitation USA, Inc., is a one-year contract with the option of up to three additional one-year renewal terms and the cost is \$135,250.00. This would rehabilitate 50 sewer manholes not including NMGRT.

Mayor Cobb stated there has been test models done to test effectiveness and longevity of the product. Mr. Woomer confirmed that tests have been done successfully. He further explained several advantages in going forward with this project.

There being no further discussion, Commissioner Gerth moved to approve RFP 548-24 and accept the proposal from Infrastructure Rehabilitation USA, Inc. Commissioner

Calderón seconded the motion and roll call vote was recorded as follows: Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. Copies of the supporting documentation are attached.

Comments by City Commissioners, City Manager

Mr. Manny Gomez, City Manager, addressed the 10-year mark of the water conservation period which begins on May 15th and runs to September 15th. He thanked the citizens of the community and the Utilities Department for their continued support and involvement in this process which has helped saved millions of gallons of water per year.

Mr. Gomez stated the next "Dumpster Days" in Hobbs is scheduled for May 18, 2024, at the intersection of Aspen and North McKinley Dr. Mr. Gomez thanked the Police Department and Code Enforcement for their continued work in helping clean up the community.

Mr. Gomez stated Kids to Park Day will be held on May 18, 2024, from 11:00 a.m. – 3:00 p.m. at City Park, Heizer Park, Del Norte Park and Harry McAdams Park. He thanked Mr. Bryan Wagner and the Parks and Open Spaces Department for their participation in getting the information out and facilitating projects and programs within the City.

Mr. Gomez recognized and congratulated the newly-hired Assistant City Manager, Mr. Todd Randall. He thanked the Commission for its support by adding this new position to the budget. Mr. Gomez stated it has been 20 years since this position has been filled. He stated Mr. Randall is well qualified for the position with over 21 years of experience at the City of Hobbs.

Commissioner Gerth commending Mr. Jordan Davis and the Waste Management team for their hard work and in moving forward with the process of curbside pickup in certain areas of the City. He stated he personally viewed the areas and the change is definitely necessary due to safety hazards.

Commissioner Fields stated the City of Hobbs is very fortunate to have the support and partnership of multiple groups which work together within the community. He thanked all City staff for their hard work and dedication.

Commissioner Penick stated he is very discouraged with certain businesses within Hobbs that do not properly maintain their properties in a clean condition. He stated this reflects negatively on the City and reminded the community of the importance of keeping businesses clean and well kept.

Mayor Cobb stated the Commission met in a work session prior to the regular meeting to discuss the FY 24-25 budget. He stated the Finance Department and all of the Department Heads did a tremendous job in compiling the budget. He encouraged the citizens of Hobbs to look at the FY 24-25 Preliminary Budget and call the City if they have any questions about it.

ADJOURNMENT

There being no further business or comments, Commissioner Calderón moved that the meeting adjourn. Commissioner Gerth seconded the motion and the vote was recorded as follows: Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried and the meeting adjourned at 6:55 p.m.

SAM COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

Minutes of the budget work session of the Hobbs City Commission held on Monday, May 6, 2024, in the City Commission Chamber, 200 East Broadway, 1st Floor Annex, Hobbs, New Mexico.

Mayor Cobb called the work session to order and welcomed everyone in attendance. The following were present:

Mayor Sam D. Cobb
Commissioner Christopher Mills (*arrived*)
Commissioner Larron B. Fields
Commissioner Joseph D. Calderón
Commissioner Dwayne Penick
Commissioner Don Gerth

Absent: Commissioner R. Finn Smith

Also present were Mr. Manny Gomez, City Manager, Mr. Todd Randall, Assistant City Manager, Mr. Toby Spears, Finance Director, Ms. Deb Corral, Assistant Finance Director, Ms. Valerie Chacon, City Attorney, and Ms. Jan Fletcher, City Clerk. Other staff members and public were also present.

Mr. Toby Spears, Finance Director, began the work session by expressing gratitude to the many staff members who helped in the preparation and development of the FY 25 preliminary budget which is presented today for consideration by the Commission. He specifically thanked Ms. Deb Corral, Assistant Finance Director, for all of her work on the budget preparation.

Mr. Spears presented an overview of the FY 25 budget document through the use of a PowerPoint presentation, a copy of which is attached. He reviewed the budgetary timelines and stated the preliminary budget is due June 1st to the State of New Mexico, Department of Finance and Administration (DFA), and the final budget is due July 31st.

Mr. Spears compared the FY 24 preliminary budget revenue with the FY 25 revenue. He stated the City is projecting gross receipts tax (GRT) revenue for FY 25 in the amount of \$57,746,000 which is an increase of \$5,590,000 or 11%. The monthly GRT projection is \$4,812,166 as compared to \$4,346,333 in the current budget.

Mr. Spears stated the FY 25 projected general fund revenue is \$66,484,881 as compared to \$55,598,564 for FY 24, an increase of 20%.

Mr. Spears stated the FY 25 total projected overall revenue is \$140,843,497 as compared to \$126,299,905 for FY 24 which is a difference of \$14,543,592 or an increase of 12%. He stated the monthly projected overall revenue for FY 25 is \$11,736,958. Mr. Spears stated the comparisons are made by comparing preliminary budget FY 24 to preliminary budget FY 25.

Mr. Spears presented a chart with a ten-year trend of GRT revenue by the month and GRT projections moving forward. He also compared the mining and retail activity of GRT

from April 2024 through April 2019. This comparison specifically showed the substantial decrease in mining activity as a result of the destination tax changes imposed by HB6.

Ms. Deb Corral, Assistant Finance Director, stated the FY 24 projected expenditures for all funds are \$155,891,451 which is an 11% increase from the prior year. She stated salary and benefits are \$59,292,331, operating is \$69,650,941 and capital expenditures are \$26,948,178.

Ms. Corral reviewed a pie chart depicting the expenditure summary for all funds. Of the total budgeted expenditures, 50% or \$76,911,152 relates to the general fund. In the general fund, personnel and benefits are \$46,100,230 (60%), operating is \$25,015,982 (32%) and capital outlay is \$5,694,940 (7%). She also reviewed the transfers to funds of \$6,808,969 related to the CORE, Senior Center, Golf Course and Cemetery.

Ms. Corral stated the projected transfers for FY 24 were \$9,187,286 and the projected transfers for FY 25 are \$6,808,969 which is a decrease of 25.89% meaning less subsidy for the upcoming fiscal year.

In response to Commissioner Penick's question, Ms. Corral stated a capital expenditure is any expense over \$5,000.

Ms. Corral stated the projected general fund expenditures for FY 24 were \$69,482,143 and for FY 25 are \$76,911,151 which is an increase of 11%.

Ms. Corral itemized the salary and benefits for all funds, along with a comparison of prior years, as follows:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Salary and Benefits	\$59,292,336	\$58,006,373	\$54,463,140
Budgeted FTE Count	626	620	611

Mr. Corral stated this projection is based on several assumptions: a merit increase of 5%; an increase of approximately 6 budgeted FTE positions from 2024; medical insurance premiums projected through 9 months annualized; and a PERA increase of .50% for employer.

Ms. Corral reviewed the current salary and benefits for employees.

In response to Commissioner Mills' inquiry, Ms. Corral stated the budget includes fund for positions which are vacant. Funding which is not used flows back into the general fund. Mayor Cobb and Ms. Corral clarified that the unused personal funding does not flow back to the respective department for general uses.

Mr. Gomez stated it is a performance based budget rather than zero-based budgeting.

Ms. Corral stated projected salary and benefits for the general fund has increased 4.33% from the prior year and is projected to be a cost of \$3,841,685 per month for FY 25.

Ms. Corral stated capital expenditures for FY 25 for all funds are projected to be \$26,948,178.

In response to Commissioner Mills' question, Ms. Corral stated the Cemetery is a special revenue fund and can be found in Fund 19 in the budget book. Mr. Spears clarified that any type of enterprise fund is classified as a special revenue.

Ms. Corral stated the capital expenditures for the general fund for FY 24 were projected to be \$3,573,493 and for FY 25 are projected to increase by 59.37% to \$5,694,940.00. She stated a list of the major capital projects for FY 25 are listed on page 11 of the budget book and pages 15-23.

Ms. Corral reviewed the reserve limits as follows:

Beg. Budgeted Cash Balance	\$ 48,401,298*
Budgeted Revenue	\$ 73,293,850
Budgeted Transfers	\$(6,808,969)
Budgeted Expenditures	<u>\$(76,811,152)</u>
End. Budgeted Cash Balance	\$ 38,075,027
Projected Reserve	50%

***Based on 2024 BAR # 3 estimated cash balance**

Ms. Corral reviewed the projections for the final three months of FY 24 as follows:

Beg. Actual Cash at 3/31/2024	\$ 87,928,223
Estimated 3 month revenue	\$ 13,500,000
Estimated 3 month transfers	\$(1,740,000)
Estimated 3 month personnel/benefits	\$(10,174,692)
Estimated 3 month operating	\$(5,022,668)
Estimated payments on encumbered capital	<u>\$ (2,654,748)</u>
Projected cash balance at 6/30/2024	\$ 81,836,115

Ms. Corral explained that \$15,565,663 in capital expenditure carryovers will need to be reassessed prior to completion of the final budget leaving allocable funds of \$66,270,453 and a general fund budgeted cash balance of \$48,401,298.

Beg. Budgeted Cash Balance	\$ 48,401,298
Budgeted Revenue	\$ 73,293,850
Budgeted Transfers	\$(6,808,969)

Budgeted Expenditures	\$(76,811,152)
Estimated Carryover Unencumbered	<u>\$ 17,869,155</u>
End. Budgeted Cash Balance	\$ 55,944,182
Projected Reserve (at final)	73%

Mr. Gomez stated capital projects have been a challenge with the rising cost and availability of contractors/construction materials.

Mr. Spears reviewed the special revenue funds budget for FY 25. He stated the revenue from the cannabis tax is projected to be \$950,000 and continues to accumulate until a purpose has been determined.

Mr. Spears stated a total of \$3.1 million has been budgeted for LEDA Projects.

In response to Commissioner Mills' question, Mr. Spears stated a list of all of the grant funds will be prepared as of June 30, 2024.

Mr. Gomez stated staff continues to seek grants and \$42 million in grants is a big number to track for the City.

In reply to Mayor Cobb's inquiry, Mr. Spears stated some of the grants are 100% funding.

Mr. Spears stated it is very difficult to project the increase related to health care as the cost is based on enrollment and claims. The City is collecting \$8,851,930 in revenue with expenditures through March totaling \$10,780,230. Mr. Spears stated there are several unknown factors related to health care and the City is exploring a plan and funding changes prior to the 2025 renewal.

Mr. Spears briefly reviewed the Enterprise Funds and stated the cost of revenue and expenses are very close with a total FTE count of 57 positions.

Following a brief discussion about the debt service, and in response to a question from Mayor Cobb, Ms. Corral stated there are five loans with loan balances of \$18,478,425.

Mr. Spears stated the GRT rate for the City of Hobbs is 6.5625% effective July 1, 2023.

Mr. Spears stated the City can look at increasing the tax by 1/16th which would generate \$1,400,000 and result in a 6.625% tax rate; an increase of 1/8th would generate \$2,800,000 and equate to a 6.6875% tax rate; or an increase of 1/4th which would generate \$5,600,000 and result in a 6.8125% tax rate.

Mr. Spears stated the City is very lucky as our debt ratio to general fund ratio is non-existent. Many municipalities have to borrow against their general fund.

Mayor Cobb stated the City has been very fortunate with its grant funding from the County and others but will not always be able to count on this type of revenue each year.

A lengthy discussion was held on the property tax rates for Hobbs as of 2023 and a possible change in those rates.

Mr. Spears thanked everyone for their help and assistance with the budget. It stated it is a very detail oriented 200+ page budget book and needs time to be reviewed and digested.

Commissioner Penick stated it has been a very impressive review of the budget book and a great job by the Finance Department, as always.

Mr. Gomez expressed thanks to Mr. Spears, Ms. Corral and all City staff for their work on the budget. He stated it takes months to compile and is the most important document created by the City. Mr. Gomez stated the budget message is "Financial Management: Yesterday, Today and Tomorrow". He stated leadership is about smart spending. Mr. Gomez stated the City struggles with the retention of quality staff. With a 21% turnover rate, the City needs to continue working on retention. As outlined in the presentation, the City offers numerous benefits to its employees. In the FY 25 budget, a 5% merit increase is proposed at a cost of \$1.2 million.

Mr. Gomez stated the City is adding 6 positions to the FY 25 budget and currently has 75-80 vacancies. He stated the City needs to market and make known the good benefits it does offer. Mr. Gomez reviewed the new positions that will be added for FY 25. He stated a new Planning Director may become a Department Head.

Mr. Gomez again thanked everyone for their presentations and help during the budget process.

Mayor Cobb stated there is a big difference between retention and recruitment. Many employees are only staying three to five years at jobs. Following a brief discussion, Mr. Gomez stated the City can create a short survey for employees to find out more about what keeps employees at their job. Health insurance is a big driver in hiring employees and the City needs to be creative on it.

Commissioner Fields stated the City needs to look at the whole package and all the benefits.

Mayor Cobb stated younger employees tend to want a higher starting wage.

Mr. Gomez stated the City will have to focus on areas that it can control.

There being no further discussion, Mayor Cobb adjourned the work session at 5:15 p.m.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

Minutes of the special meeting of the Hobbs City Commission held on Monday, May 13, 2024, in the City Commission Chamber, 200 East Broadway, 1st Floor Annex, Hobbs, New Mexico. This meeting was also broadcast via Livestream on the City's website at www.hobbsnm.org.

Call to Order and Roll Call

Mayor Sam Cobb called the meeting to order at 5:00 p.m. and welcomed everyone to the meeting. The City Clerk called the roll and the following answered present:

Mayor Sam D. Cobb
Commissioner Finn Smith
Commissioner Chris Mills
Commissioner Joseph D. Calderón
Commissioner Larron B. Fields
Commissioner Dwayne Penick
Commissioner Don Gerth

Also present:

Todd Randall, Assistant City Manager
Valerie Chacon, City Attorney
Shane Blevins, Deputy Police Chief
Toby Spears, Finance Director
Deb Corral, Assistant Finance Director
Tim Woomeer, Utilities Director
Bill Griffin, WWRF Superintendent
Pete Zacharias, Senior Utilities System Analyst
Anthony Henry, Acting City Engineer
Nicki Lawless, Library Director
Bryan Wagner, Parks and Open Spaces Director
Lou Maldonado, Parks and Open Spaces Superintendent
Matt Hughes, Rockwind Superintendent
Doug McDaniel, Recreation Director
Shelia Baker, General Services Director
Meghan Mooney, Communications Director
Nicholas Goulet, Human Resources Director
Selena Estrada, Risk Manager
Julie Nymeyer, Executive Assistant
Christa Belyeu, I. T. Director
Jan Fletcher, City Clerk
Alyxandra Salas, City Clerk Record Specialist
2 citizens

Invocation and Pledge of Allegiance

Commissioner Fields delivered the invocation and Commissioner Mills led the Pledge of Allegiance.

Public Comments

None.

Action Items

PUBLIC HEARING: Resolution No. 7475 – Approving or Denying a Substitution of Subcontractor in the RFP 536-23, City of Hobbs Wastewater Reclamation Facility SCADA System Design and Replacement

Ms. Valerie Chacon, City Attorney, outlined the purpose of today's special meeting to approve or deny a request for substitution of a subcontractor in RFP 536-23 for the City of Hobbs Wastewater Reclamation Facility SCADA System Design and Replacement. Ms. Chacon first stated this is not a public hearing, and she apologized that the wrong title was placed on the agenda.

Ms. Chacon stated the City of Hobbs was approached by the contractor, IPS, in the SCADA project regarding the substitution of the subcontractor, Tesco Controls. The contractor alleged that the subcontractor has failed and/or refused to perform its duties. Pursuant to NMSA § 13-4-36, no contractor whose bid is accepted shall substitute any person as a subcontractor in place of the subcontractor listed in the original bid, except that the using agency shall consent to the substitution. Prior to approval of the contractor's request for substitution of a subcontractor, the subcontractor shall be given notice of the request to substitute the subcontractor, and if a timely objection is provided to the using agency, City of Hobbs, a hearing shall be set. Tesco Controls did file an objection and a hearing has been set in front of the City Commission who approved the RFP.

Mr. Pete Zacharias, Senior Utilities System Analyst, provided an overview of the function of the SCADA Systems throughout the City of Hobbs using a PowerPoint presentation. He stated a Professional Services Agreement was signed with IPS, Inc., on February 27, 2023. He reviewed the scope of services outlined in the agreement and in the RFP along with the contractor's proposal.

In response to Mayor Cobb's question, Mr. Zacharias stated the total project cost is \$6,921,054.97 and is a big capital investment for the City.

Mr. Zacharias provided a timeline of the various phases of the project which were not met by the subcontractor, Tesco Controls. He stated many of the specialized personnel who were in place at the time the proposal was awarded are no longer with the company.

In answer to Commissioner Penick's question, Mr. Zacharias stated IPS is the general contractor on the project and Tesco is the subcontractor.

Mr. Zacharias stated one payment in the amount of \$425,335.57 has been paid by the City of Hobbs to IPS on January 18, 2024.

In response to Mayor Cobb's question and Commissioner Gerth's inquiry, Mr. Zacharias stated he approved the payment for the work that has been completed. Mr. Zacharias stated a new invoice in the amount of \$305,943.90 was received by the City of Hobbs on March 8, 2024, which is under review.

In reply to Commissioner Smith's question, Mr. Zacharias stated 22.2% of the work on Phase 1 has been completed. However, Phase 1 should have been fully completed in January of 2024 and work should have already commenced on Phase 2.

Ms. Chacon emphasized that 100% of Phase 1 should have been done by January of 2024 and Phase 2 should have started.

In reply to Commissioner Penick's inquiry, Mr. Zacharias stated he agrees that only 22.2% of the work has been done and Tesco has done nothing on Phases 2, 3 and 4. Mr. Zacharias stated a stop work order was issued on March 7, 2024.

Ms. Chacon re-stated that Phase 1 is not complete, Phase 2 has not started and a stop work order was issued in March.

Mr. Zacharias stated attempts to contact Tesco were unsuccessful and the City sent two formal letters regarding the matter.

Ms. Chacon stated IPS submitted a request to the City to change subcontractors. Because the City awarded the RFP to IPS, approval is required by the City for IPS to change subcontractors.

A lengthy discussion was held on the difference between an RFP (request for proposal) and a bid. A discussion was also held on the responsibility of the contractor to oversee the work of the subcontractor.

In response to Commissioner Mills' request, Ms. Chacon clarified that NMSA § 13-4-36 is the applicable statute to cover this matter as it is a bid based off performance.

Mr. Todd Randall, Assistant City Manager, stated a bid is typically cost based while an RFP is qualification and cost. Getting the most qualified proposer includes critical personnel to perform the tasks required in the proposal.

Commissioner Mills requested clarification that the Commission is being asked to make a decision based on NMSA § 13-4-36 on the request of IPS, the general contractor, for substitution of Tesco as a subcontractor. Ms. Chacon confirmed that

is the request before the Commission today. She stated the City will need to hear from Tesco during today's meeting as to their position on the matter.

Mr. Ryan Gray of IPS, speaking via telephone conference call, agreed with the comments made by the City today. He stated he is the Project Manager on the SCADA Project and Mr. Erik Avital and Mr. Eric Quiroz of IPS are physically present in the audience. Mr. Gray stated there has been a lack of progress with 15 months spent on Phase 1 and the project will not meet the anticipated completion date if Tesco stays. Mr. Gray stated IPS is fully committed to complete the project if it can get another qualified subcontractor on the project. He added that Mr. Avital and Mr. Quiroz have been on the project since its inception.

In response to Commissioner Smith's question regarding a contract between IPS and Tesco, Mr. Gray stated it was a joint effort between the two parties to submit the proposal response to the City.

In further reply to Commissioner Smith's question regarding the \$6.9 million project and whether a price and timeline were locked down with the subcontractor, Mr. Gray stated the parties had communicated together but no contract exists between IPS and the subcontractor.

Commissioner Smith stated the dispute will be between IPS and Tesco but usually a general contractor needs something in writing with the subcontractor.

Commissioner Mills stated IPS wishes to terminate Tesco's participation in the project and wants to obtain the City's consent for this purpose.

Mr. Ryan Maas, legal counsel for Tesco, speaking via telephone conference call, stated Tesco submitted a letter today via email to the City of Hobbs. He stated it is Tesco's position that IPS never finalized its contract with Tesco and there is no formal schedule for completion of any tasks.

Ms. Adam Simmons of Tesco, speaking via telephone conference call, stated scheduling and the collaborative process were met with rejection. The billing submitted by IPS focused on Phase I. Originally, the completion percentage was calculated to be 40%; however, 20.22% was the agreed-upon percentage between the parties. Mr. Simmons stated there is a lot of misunderstanding on the phases of the project. He stated Phase I is the planning, Phase 2 is when the work is done, and Phase 3 is implementation. To date, Tesco believes Phase I is 85% complete. Mr. Simmons stated there is also a miscommunication on the decision of who would be purchasing the switches. He stated overall, there has been a lack of a collaborative process and Tesco was working hard to meet the requirements of Phase I and were then told to stop all work. He stated Phase 2 is a component submittal with the component ordered and work done but no response or feedback was received from the City.

In response to Commissioner Smith's question regarding the component and dealing with the general contractor, Mr. Simmons stated the City specified what type of switch to purchase and one was being purchased by the City and the other one was being purchased by IPS. He stated the general contractor has not provided a lot of guidance on the project.

In response to Commissioner Penick's inquiry, an unidentified person on the phone call stated at times, Tesco has the lion share portion of the job. The person stated IPS is the New Mexico State Electrical Contractor to support the California company with the fiber optic work and it is Tesco's first job with IPS.

In reply to Mayor Cobb's question about the next steps if the City approves the substitution request, Mr. Randall stated the City's contract was with IPS only.

In response to Commissioner Mills' inquiries, Mr. Gray stated IPS can still complete the project, can do it on time and for the agreed-upon cost.

There being no further discussion, Commissioner Mills moved to approve Resolution No. 7475 consenting to the replacement of Tesco as the subcontractor. Commissioner Fields seconded the motion and the vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and supporting documentation are attached.

Comments by City Commissioners, City Manager

None.

ADJOURNMENT

There being no further business or comments, Commissioner Calderón moved that the meeting adjourn. Commissioner Gerth seconded the motion and the vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried and the meeting adjourned at 6:15 p.m.

SAM COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk



PROCLAMATIONS

AND

**AWARDS OF
MERIT**

May Milestones 2024

5 Years

Bryan Wagner	POSD Director	05/13/2019
Natalie De La Cruz	Senior Center Admin Asst	05/06/2019

10 Years

Nancy Tovar	Judicial Assistant	05/27/2014
Douglas McDaniel	Recreation Director	05/30/2014

15 Years

Ryan Herrera	Fire Captain	05/06/2009
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20 Years

Joseph Hill	Golf Course Maint Sup	05/24/2004
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Office of the Mayor
Hobbs, New Mexico

PROCLAMATION

WHEREAS, Emergency Medical Services are a vital public service; and

WHEREAS, the members of Emergency Medical Services teams are ready to provide lifesaving care to those in need 24 hours a day, seven days a week; and

WHEREAS, access to quality emergency care dramatically improves the survival and recovery rate of those who experience sudden illness or injury; and

WHEREAS, Hobbs Fire Department responded to 9,410 EMS calls in 2023; and

WHEREAS, Emergency Medical Services have grown to fill a gap by providing important, out of hospital care, including preventative medicine, follow-up care, and access to telemedicine; and

WHEREAS, the Emergency Medical Services system consists of first responders, emergency medical technicians, paramedics, emergency medical dispatchers, firefighters, educators, administrators, pre-hospital nurses, emergency nurses, emergency physicians, trained members of the public, and other out of hospital medical care providers; and

WHEREAS, the members of Emergency Medical Services teams, whether career or volunteer, engage in thousands of hours of specialized training and continuing education to enhance their lifesaving skills; and

WHEREAS, it is appropriate to recognize the value and the accomplishments of Emergency Medical Services providers by designating Emergency Medical Services Week;

NOW, THEREFORE, I, Sam D. Cobb, Mayor of the City of Hobbs, New Mexico, do hereby proclaim the week of May 19-25, 2024, as

“EMERGENCY MEDICAL SERVICES WEEK”

With the theme for the 50th Anniversary of EMS Week is, **“Honoring Our Past. Forging Our Future”**. I encourage the community to observe this week with appropriate programs, ceremonies and activities.

IN WITNESS WHEREOF, I have hereunto set my hand this 20th day of May, 2024, and cause the seal of the City of Hobbs to be affixed hereto.

SAM D. COBB, MAYOR

ATTEST:



JAN FLETCHER, CITY CLERK



CONSENT AGENDA



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 20, 2024

SUBJECT: A RESOLUTION AUTHORIZING A SUPPORT OF WATER REUSE RULE

DEPT. OF ORIGIN: Mayor's Office
DATE SUBMITTED: May 8, 2024
SUBMITTED BY: Sam D. Cobb, Mayor

Summary: The NM Water Quality Control Commission will commence a hearing regarding water reuse in New Mexico. This rulemaking is an exciting opportunity for our state, especially when it comes to produced water. As you know, the utilization of treated produced water will allow for economic diversification, freshwater conservation, and potentially decrease seismic activity in our region.

Fiscal Impact:

None.

Reviewed By: Deborah Corral
Finance Department
Digitally signed by Deborah Corral
Date: 2024.05.09 09:11:14 -0600

Attachments:

Resolution

Legal Review:

Approved As To Form: Valerie S. Chacon
City Attorney
Digitally signed by Valerie S. Chacon
Date: 2024.05.09 10:14:12 -0600

Recommendation:

The Commission should consider the Resolution.

Approved For Submittal By:

Department Director

City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

Resolution No.
Ordinance No.
Continued To:
Referred To: Referred
To:
Approved
Other
Denied
File No.
File No.

CITY OF HOBBS

RESOLUTION NO. 7476

A RESOLUTION IN SUPPORT OF WATER REUSE RULE

WHEREAS, New Mexico faces a critical water shortage that threatens our sustainability; and

WHEREAS, immediate action is required to ensure adequate water supply for future New Mexico generations; and

WHEREAS, water reuse is an important strategy to supplement and prolong our existing freshwater supplies, support innovative water technologies, and diverse New Mexico's economy; and

WHEREAS, New Mexico's 50-Year Water Action Plan identifies water reuse as a critical solution to address our water challenges, and

WHEREAS, the 2019 New Mexico Produced Water Act encourages the oil and natural gas industry to use, recycle, and treat produced water instead of relying on fresh water; and

WHEREAS, all viable and safe options to address New Mexico's declining water availability should be considered, including finding ways to safely use treated produced water; and

WHEREAS, technological advancements have made it possible to use produced water for industrial applications such as municipal landscaping, road construction, and irrigation for non-edible agriculture; and

WHEREAS, with proper regulation of appropriate treatment levels, potential use of produced water outside the oil and gas industry is possible; and

WHEREAS, produced water is mostly naturally occurring, highly saline water brought to the surface as part of oil and gas production; and

WHEREAS, the New Mexico Environment Department petitioned the Water Quality Control Commission to consider proposed rule 20.6.8 NMAC Ground and Surface Water Protection – Supplemental Requirements for Water Reuse; and

WHEREAS, the proposed rule ensures the protection of the state's surface and groundwater; and

WHEREAS, the proposed rule creates a framework for future reuse rules; and

WHEREAS, a responsibility of the City of Hobbs Commissioners is to support and ensure the preservation of the state's freshwater supply for future generations.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the City of Hobbs formally recommends that the Water Quality Control Commission adopt and enact proposed Rule 20.6.8 NMAC Ground and Surface Water Protection – Supplemental Requirements for Water reuse.

PASSED, ADOPTED AND APPROVED this 20th day of May, 2024.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 20, 2024

SUBJECT: RFP No. 549-24, Animal Adoption Janitorial Services (Kennels)
DEPT. OF ORIGIN: Hobbs Police Department - Support Services Division – Community Services Department
DATE SUBMITTED: May 7, 2024
SUBMITTED BY: HPD Lieutenant Jason Herrera, Community Services Superintendent Jessica Silva

Summary:

This item is to seek approval of a proposal submitted by Classi Clean, LLC to provide services in kennel cleaning 7 days a week for a year. This approval will assist with the kennel cleaning that is necessary for animals being housed in the facility, allowing Code and Animal Officers to remain available for calls and enforcement duties. This starts July 1st, 2024 through June 30th, 2025.

Fiscal Impact:

Reviewed By: 
Finance Department

These services will cost approximately \$110,000.00 The budget in the "Professional Services" line item of the Hobbs Animal Adoption Center Budget (010208-42601) will have an adequate balance to sustain this expenditure.

Attachments:

- 1. RFP No. 549-24 Proposal submitted by Classi Clean, LLC.
- 2. Scoring Sheet from RFP Committee

Legal Review:

Approved As To Form: 
City Attorney

Recommendation:

Motion to approve.

Approved For Submittal By:

 ALC

Department Director


City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

Resolution No. _____ Continued To: _____
Ordinance No. _____ Referred To: _____
Approved _____ Denied _____
Other _____ File No. _____

RFP 549-24 ANIMAL ADOPTION JANITORIAL SERVICES (KENNELS)

EVALUTION (100 POINTS POSSIBLE)					SCORING SHEET			
					1	2	3	4
STAFF EXPERIENCE AND REFERENCES					15	15	16	15
PROPOSED STAFFING					20	20	20	18
ABILITY TO MEET SUPPLY TIMEAND REQUIREMENT SCHEDULE					10	10	10	10
RESIDENT BIDDER/ VETERANS PREFERENCE					0	0	0	0
PRICE CONSIDERATION					36	35	35	35
TOTAL POINTS FOR RFP549-24					81	80	81	78

REQUEST FOR PROPOSALS

Animal Adoption Janitorial Services (Kennels).

FOR THE CITY OF HOBBS, NEW MEXICO

PROPOSAL No. 549-24

The City of Hobbs, New Mexico is requesting proposals from qualified proposers interested in furnishing Animal Adoption Janitorial Services (Kennels).

Written proposals will be received by the City of Hobbs, New Mexico, at the office of the Finance Director in City Hall, 200 E Broadway St., Hobbs, New Mexico 88240,

DEADLINE: April 24th 2024 @ 2:00pm 2nd Floor City Hall Finance


Submitted proposals shall not be publicly opened. Any proposals received after that time will be returned unopened. The fact that a proposal was dispatched will not be considered.

Copies of the specifications may be obtained without charge from the office of the Finance Director. Questions concerning this proposal should be directed to Brandy Hukins at bhukins@hobbsnm.org or 575-397-9244.

In case of ambiguity or lack of clearness in stating proposal prices, the City of Hobbs, New Mexico, reserves the right to adopt the most advantageous thereof or to reject any or all proposals and waive irregularities.

Publishing Date: April 14th 2024

CITY OF HOBBS, NEW MEXICO



Manny Gomez, City Manager

The City of Hobbs is requesting proposals to furnish Animal Adoption Janitorial Services (Kennels).

We request that your proposal be made in conformance with the guidelines contained herein on the proposal form. The contract will be awarded to the company with the proposal determined to be the most advantageous to the City of Hobbs and based on the evaluation criteria specified.

EVALUATION OF PROPOSAL:

Proposal will be evaluated on the following basis (all topics are as presented in the text of this proposal):

1.	Yearly cost	35 pts
2.	Reference check of past/present customers this will be evaluated for quality of work as reported by references	30 pts
3.	A MINIMUM OF 2 Years of experience in janitorial services, similar facilities and services provided	20 pts
4.	Proposed staffing, their experience and outline of work	15 pts
5.	New Mexico Resident [Veterans Bidders Preference	10 pts
6.	Additional points offered for building proposed	<u>10 pts</u>
	Max possible points (per building)	120 pts

SECTION I - Instructions To Offerors

- 1 . Sealed proposals will be received by the Finance Department, Hobbs, New Mexico, in accordance with the Proposal Advertisement. Offerors shall use the proposal form included with the specifications. Proposal forms must bear the signature of the offeror to be considered. Pursuant to NMSA 1978, 13-1-191.1 (2006), offerors shall complete the attached Campaign Contribution Disclosure form. Failure of offerors to complete proposal documents in accordance with all instructions provided is cause for the City of Hobbs to reject proposals.
2. Proposals must be submitted in a sealed envelope with the outside clearly marked: PROPOSAL No. 549-24 Animal Adoption Janitorial Services (Kennels).
3. All proposals are subject to all applicable taxes. Any contracts that include labor or services require that the full amount be subject to the City of Hobbs Gross Receipts Tax. Do not include the taxes in the total bid price. Taxes will be added and paid at time of billing.
4. RFP Amendments Should any amendment to this Request for Proposals be deemed necessary between issuance of the Request for Proposals and the proposal submission deadline, it will be distributed in writing to all recipients of the original RFP. If an amendment requires a time extension, the proposal submission date will be changed as part of the written amendment.

Contractors, who receive notification of this solicitation by means other than through a City of Hobbs mailing, shall contact the person designated as the point of contact herein to request to be added to the mailing list. Inclusion on the mailing list is the only way to ensure timely notification of any amendment and/or information that may be issued prior to the solicitation submittal date. It is the Contractors sole responsibility to ensure they receive all amendments for this RFP by informing the City of their mailing information.

5. Proposals received after the Deadline, are non-responsive.
6. Proposal Evaluation The Selection Committee will review each proposal. Points will be allocated as outlined in the evaluation criteria of this RFP to determine the best responsible proposal(s). Negotiations may be conducted with responsible offerors who submit proposals found to be reasonably likely to be selected for award. The City of Hobbs will

forward recommendations to the City Commission which will make the final award(s). The City reserves the right to accept proposals in their entirety, or portions thereof, and to reject any or all proposals and to waive informalities.

7. It is agreed that proposals accepted by the City shall be valid for a period of sixty (60) days following the date of proposal opening.

SECTION 11 - Award of Contract

1. The City Commission of the City of Hobbs, New Mexico, reserves the right to waive irregularities in proposals, to reject any or all proposals or portions thereof. The City Commission may accept any proposal(s) that in its opinion is in the best interest of the City of Hobbs.
2. The City does not guarantee a minimum or maximum dollar value for any agreement resulting from this solicitation.
3. The City reserves the right to interview selected Contractor before a contract is awarded. The cost of attending any interview are the Contractors responsibility.
4. The City has the option to award a portion or portions of this contract to multiple successful Contractors at the sole discretion of and benefit to the City.

SECTION 111 - Term of Contract

The term of this contract shall be for one (1) year from the date of written notification of award of proposal, with an option to extend the contract an additional three (3) years, one year at a time, if mutually agreeable with the City of Hobbs and the vendor, in accordance with the Attorney General ruling.

The agreement shall contain a clause that provides that the City reserves the right to cancel the agreement, or any extension of the agreement, without cause, with a thirty day (30) written notice or immediately with cause.

SECTION Iv Payment

Payment will be made within fifteen (15) days after certification from General Services that all term of the contract have been met.

SECTION V References

It will be the responsibility of the offeror to furnish the names, addresses, and phone numbers of at least three (3) commercial type businesses they are presently servicing and have serviced for at least two years.

SECTION VI INSURANCE

The successful offeror shall obtain, and provide proof thereof, to the City the following insurance coverage:

General Liability as follows: Premises, operations, explosions and collapse hazard, underground hazard, contractual insurance, products with completed operations, broad form property damage, independent contractors and personal injury. The limits of liability shall be no less than \$1,000,000 combined single limits for bodily injury and property damage.

Automobile Liability as follows: Owned, hired and non-owned vehicles. The limits of liability shall be no less than \$1,000,000 combined single limit bodily injury and property damage.

The City of Hobbs shall be named as an additional insured.

Workers' Compensation is required along with State statutory employer's liability limits regardless of number of employees.

SECTION VII SITE VISIT

All vendors interested in submitting a proposal are encouraged to visit the location where the janitorial services will be performed. Site visits will be scheduled upon request by contacting Jessica Silva at 575-964-5679 or jsilva@hobbsnm.org.

PROPOSAL NO. 549-24

ANIMAL ADOPTION JANITORIAL SERVICES (KENNELS) EACH OFFEROR MUST COMPLETE THE FOLLOWING STATEMENT:

INDICATE THE NUMBER OF HOURS THAT IS WILL TAKE FOR THE ABOVE EMPLOYEES TO COMPLETE THE JANITORIAL SERVICES.

LOCATION:	NUMBER OF DAYS/WEEK	NUMBER OF EMPLOYEES	HOUR(S) PER DAY PER EMPLOYEE
HOBBS ANIMAL ADOPTION CENTER	7	3	1x8 or 2x4

1. The Contractor agrees to supply all labor to perform cat/dog kennel cleaning and related services.
2. The City agrees to supply all cleaning supplies which include but is not limited to hydrofoamers, rubber boots, cleaning chemicals and other supplies designated by manager.
3. The successful Contractor will be required to directly supervise the work of his employees on the job site and be held responsible for seeing the services are performed correctly and immediate action is taken to correct situations that are brought to his or her attention by representatives of the City.
4. The Contractor Supervisor and employees must successfully pass an extensive background check. The background check must be completed and successfully passed BEFORE the contractors employee can begin working in the building.
5. The Contractor shall be responsible for instructing his employees in appropriate safety measures, and shall make certain that his employees are performing their work in a safe manner.
6. In case of damage and/or theft to the premises, equipment or supplies of the City by the Contractor or his employees, the Contractor agrees to repair the damage and/or replace equipment or supplies. The Contractor is solely responsible for the cost of these corrective actions. If the Contractor fails to take prompt, proper corrective action, he will be strictly liable to the City for any sums the City expends to have the matter corrected.
7. The kennel cleaning services are to be performed daily, Monday through Sunday, hours to be determined by mutual agreement.

8. The City of Hobbs is not responsible for damage by fire, theft, accident, or otherwise to the contractor's supplies, equipment, and to the personal belongings of the Contractor's employees. The Contractor hereby waives any and all claims against the City, whether direct or indirect and releases said City from any and all liability for damages or injuries or both, which may result directly or indirectly in connection with the performance of the services herein contracted whether within the premises of the City or outside of such premises.
9. Contractor and his employees will not admit any unauthorized person in to the premises. Contractor and his employees will not smoke inside the building. Children under the age of 12 years and children who are not on the premises to assist with janitorial duties will not be permitted in the building. Lights, except night lights, shall be turned off, all windows and doors locked, and premises left in a safe and secure condition. Tight security measures shall be followed at all times.
10. The use of all office equipment by Contractor and his employees is strictly prohibited, except for a provided time clock.
11. Contractor may store his equipment and supplies on the premises in authorized storage areas only. These storage areas will be maintained in an orderly and safe condition.
12. Inspection of the Contractor's work will be made by a designated representative of the Police Department staff. The Department's designated representative shall have the authority to direct the Contractor to act to correct unsatisfactory or incomplete work performance. The judgment of the City is expressly agreed to be final concerning any disputed sums due the Contractor. Failure to correct unsatisfactory work may also result in the contract being canceled.
13. Special or emergency call-out services will be billed on a separate itemized invoice at a set hourly rate
14. For the purpose of this contract, Animal Adoption Janitorial Services (Kennels) include the following:

- a. TWO STEP- CLEANING PROCEDURES FOR ANIMAL ENCLOSURES:

1. Ensure that all cleaning materials are ready and available in the specific area, you should not go in and out of areas with the idea of reducing

the risk of cross contamination and spreading disease. This includes the laundry room;

2 Ensure that walk way area is swept clean. Free of all debris, food and organic matter. This needs to be completed to reduce the amount feces and other organic material spread throughout and into kennel area;

3 Removal of all solid feces from kennel by picking up with bags, spraying down minimal amount of feces that cannot be picked up, Disinfectant chemical shall not be sprayed on top of any of this material;

4 Step One: spray entire kennel with dawn dishwashing liquid hydrofoamers, scrubbing kennel and rinsing all dishwashing liquid from kennel, ensure ALL organic matter is removed from the kennel area. If heavily soiled while this kennel sets move down to other empty cages available for cleaning for a more time efficient procedure;

5 Step Two: Spray kennel with cleaning agent (Rescue) depending on disinfectant availability and designated guidelines. Let set for 10 minutes then squeegee kennel when the kennel floor when dry then animal may be returned to kennel area. (Rinsing is not mandatory however excess disinfectant will cause chemical burns and reactions, so the kennel must be dry before returning animal to cage);

6 make sure food and water bowls are properly cleaned and rinsed. Water bowl should be full at all times and placed on the upright bed to represent a cleaned kennel, food bowl should be turned upside down or removed when food is not present;

7 All water left in kennel can cause bacteria growth, chemical burns and skin abrasions on the animals in our care, all areas always exposed to water need to be as dry as possible, customers also should not have to walk through puddles of water to view the animals in our care;

8 All walkways, walls and kennel ends should be cleaned with disinfectant to reduce spread of contagious diseases and viruses remove debris;

9 All inorganic material collected by Contracted employees must be dumped in the appropriate receptacle at the completion of cleaning processes;

10 All cleaning equipment shall be stored outside of the kennel area to prevent citizens from slips, trips, or falls;

11 Cleaning boots and protective gowns shall not be worn through the hallways or outside, this is established to reduce the potential of cross contamination of contagious diseases and viruses.

We will predominantly clean with Rescue hydrogen peroxide-based disinfectant. In the event that we need to switch to bleach drains will need to be thoroughly to prevent back up of the cleaner. Please carry Hydrofoamers by the nozzle that water comes out of when carrying around or sprayers will break. Make sure Hydrofoamers are rinsed out at least weekly so that chemical does not settle and so that we do not risk cross mixture of the rescue with the bleach it will create a hazardous chemical reaction.

PROPOSAL No. 549-24

ANIMAL ADOPTION JANITORIAL SERVICES (KENNELS) EACH OFFEROR MUST COMPLETE THE FOLLOWING STATEMENT:

SPECIAL SERVICES:

Special services are identified as items not specified in the above detailed specifications. These items will only be performed with the consent of the City of Hobbs.

For the purpose of this contract, janitorial service includes the following:

Clean of all areas related to animal containment such as but not limited to dog and cat viewing rooms, the kennel areas, and the surgical room. Services to be provided seven days a week.

VENDOR REFERENCES AND EXPERIENCE

Please list below in the space provided three references and a detailed list of experience. If additional space is required or you wish to provide additional information on a topic please use a separate sheet of paper.

REFERENCES MINIMUM OF 3 -PAST/PRESENT CUSTOMERS

NAME	ADDRESS	PHONE NUMBER
HARR Melissa Funk	1607 N. Gila Dr Hobbs, NM 88240	(575) 605-8714
Phillip Boss	3019 N. McKinley Hobbs, NM 88240	(575) 390-2287
Smith Power Christina Harrison	2115 French Dr. Hobbs, NM 88240	(575) 433-1140

Klein Automation + Electric - 2415 N. French Dr
Taylor Davis (575) 393-3147

Badger Infrastructure 2814 NW County Rd
Eric Watson (505) 452-4235

LIST BELOW IN DETAIL: EXPERIENCE IN JANITORIAL SERVICES ALSO INCLUDE NUMBER OF YEARS EXPERIENCE.

ClassiClean, LLC has 3 years experience in janitorial service, specializing in disinfection + sanitation, specialized cleaning services, equipment maintenance, safety compliance, and communication.

LIST FACILITIES THAT YOUR COMPANY HAS PROVIDED JANITORIAL SERVICES THAT ARE SIMILAR TO THE TYPE OF SERVICES THAT YOU WILL BE PROVIDING THE CITY OF HOBBS.

Smith Power Products - janitorial services
 Complete Solids Control - janitorial services
 Badger Infrastructure - janitorial services
 Klein Automation + Electric - janitorial services
 HAAC - Specialized cleaning services (kennels)

LIST ALL THE EMPLOYEES THAT WILL BE INVOLVED IN THIS CONTRACT

EMPLOYEE NAME	TITLE	NUMBER OF YRS EXPERIENCE
Yesenia Sanchez	kennel technician	5+
Jodie Roberts	kennel technician	2
Winter Tanner	kennel technician	2

ANIMAL ADOPTION JANITORIAL SERVICES (KENNELS)

TO: The City of Hobbs, New Mexico

April 22, 2024

Proposal of 549-24 - ClassiClean

A) A Corporation under the laws of the State of New Mexico, or

B) A partnership consisting of _____, or

C) An individual trading as Classi Clean LLC

The undersigned bidder, pursuant to the foregoing "Notice to Bidders", has carefully examined the instructions to Bidders, this bid form and the Detailed Specifications.

Resident/Veterans Preference Number

ClassiClean LLC
Company Name
BY: _____

Cassandra Lawson
Type or Print Name

204 W. Midwest
Address

(505) 441-0916
Telephone Number

Hobbs, NM 88240
City State Zip

NOTE: To be valid, bid must be signed. The signature of a corporation is its president, or an authorized vice president, attested by the secretary. A signature of a partnership must be a valid partner.

Do Not Return Invitation to Bid Form in Case of a "NO BID"

If applicable - bidder acknowledges receipt of the following AMENDMENT(S):

Amendment No: _____ Dated: _____ Amendment No. : _____ Date: _____

Amendment No: _____ Dated: _____ Amendment No. : _____ Date: _____

PROPOSAL: RFP 549-24 ANIMAL ADOPTION JANITORIL SERVICES (KENNELS)

EACH OFFER MUST COMPLETE THE FOLLOWING STATEMENT:

Proposal of 549-24 proposes to furnish the following.

ITEM NO.	DESCRIPTION				TOTAL PRICE FOR 1 YEAR
Hobbs Animal Adoption Center	Specialized Clean of HAAC kennels				\$110,000

Special services: Per Hour of _____ (estimated 20 Hours)

PROPOSAL NO. RFP 549-24

CAMPAIGN CONTRIBUTION DISCLOSURE FORM

Pursuant to NMSA 1978, 13-1-191.1 (2006), any person seeking to enter into a contract with any state agency or local public body for professional services, a design and build project delivery system, or the design and installation of measures the primary purpose of which is to conserve natural resources must file this form with that state agency or local public body. This form must be filed even if the contract qualifies as a small purchase or a sole source contract. The prospective contractor must disclose whether they, a family member or a representative of the prospective contractor has made a campaign contribution to an applicable public official of the state or a local public body during the two years prior to the date on which the contractor submits a proposal or, in the case of a sole source or small purchase contract, the two years prior to the date the contractor signs the contract, if the aggregate total of contributions given by the prospective contractor, a family member or a representative of the prospective contractor to the public official exceeds two hundred and fifty dollars (\$250) over the two year period.

Furthermore, the state agency or local public body shall void an executed contract or cancel a solicitation or proposed award for a proposed contract if: 1) a prospective contractor, a family member of the prospective contractor, or a representative of the prospective contractor gives a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process or 2) a prospective contractor fails to submit a fully completed disclosure statement pursuant to the law.

THIS FORM MUST BE FILED BY ANY PROSPECTIVE CONTRACTOR WHETHER OR NOT THEY, THEIR FAMILY MEMBER, OR THEIR REPRESENTATIVE HAS MADE ANY CONTRIBUTIONS SUBJECT TO DISCLOSURE.

The following definitions apply:

“Applicable public official” means a person elected to an office or a person appointed to complete a term of an elected office, who has the authority to award or influence the award of the contract for which the prospective contractor is submitting a competitive sealed proposal or who has the authority to negotiate a sole source or small purchase contract that may be awarded without submission of a sealed competitive proposal.

“Campaign Contribution” means a gift, subscription, loan, advance or deposit of money or other thing of value, including the estimated value of an in-kind contribution, that is made to or received by an applicable public official or any person authorized to raise, collect or expend contributions on that official's behalf for the purpose of electing the official to either statewide or local office.

“Campaign Contribution” includes the payment of a debt incurred in an election campaign, but does not include the value of services provided without compensation or unreimbursed travel or other personal expenses of individuals who volunteer a portion or all of their time on behalf of a candidate or political committee, nor does it include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee.

“Family member” means spouse, father, mother, child, father-in-law, mother-in-law, daughter-in-law or son-in-law.

“Pendency of the procurement process” means the time period commencing with the public notice of the request for proposals and ending with the award of the contract or the cancellation of the request for proposals.

“Person” means any corporation, partnership, individual, joint venture, association or any other private legal entity.

“Prospective contractor” means a person who is subject to the competitive sealed proposal process set forth in the Procurement Code or is not required to submit a competitive sealed proposal because that person qualifies for a sole source or a small purchase contract.

“Representative of a prospective contractor” means an officer or director of a corporation, a member or manager of a limited liability corporation, a partner of a partnership or a trustee of a trust of the prospective contractor.

DISCLOSURE OF CONTRIBUTIONS:

DISCLOSURE OF CONTRIBUTIONS:

Contribution Made By: N/A

Relation to Prospective Contractor: _____

Name of Applicable Public Official: _____

Date Contribution(s) Made: _____

Amount(s) of Contribution(s) _____

Nature of Contribution(s) _____

Purpose of Contribution(s) _____

(Attach extra pages if necessary)

Signature Date

Title (position)

--OR--

NO CONTRIBUTIONS IN THE AGGREGATE TOTAL OVER TWO HUNDRED FIFTY DOLLARS (\$250) WERE MADE to an applicable public official by me, a family member or representative.

 4/22/24

Signature Date

Owner

Title (Position)

N/A

Resident Veterans Preference Certification

_____ (NAME OF CONTRACTOR) hereby certifies -the following in regard to application of the resident veterans' preference to this procurement:

Please check one box only

I declare under penalty of perjury that my business prior year revenue starting January 1 ending December 31 is less than \$1M allowing me the 10% preference discount on this solicitation. I understand that knowingly giving false or misleading information about this fact constitutes a crime.

I declare under penalty of perjury that my business prior year revenue starting January 1 ending December 31 is more than \$1M but less than \$5M allowing me the 8% preference discount on this bid or proposal. I understand that knowingly giving false or misleading information about this fact constitutes a crime.

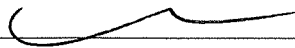
I declare under penalty of perjury that my business prior year revenue starting January 1 ending December 31 is more than \$5M allowing me the 7% preference discount on this bid or proposal. I understand that knowingly giving false or misleading information about this fact constitutes a crime.

"I agree to submit a report, or reports, to the State Purchasing Division of the General Services Department declaring under penalty of perjury that during the last calendar year starting January 1 and ending on December 31, the following to be true and accurate:

"In conjunction with this procurement and the requirements of this business' application for a Resident Veteran Business Preference/Resident Veteran Contractor Preference under Sections 13-1-21 or 13-1-22 NMSA 1978, when awarded a contract which was on the basis of having such veterans preference, I agree to report to the State Purchasing Division of the General Services Department the awarded amount involved. I will indicate in the report the award amount as a purchase from a public body or as a public works contract from a public body as the case may be.

"I understand that knowingly giving false or misleading information on this report constitutes a crime."

I declare under penalty of perjury that this statement is true to the best of my knowledge. I understand that giving false or misleading statements about material fact regarding this matter constitutes a crime.



4/22/24

(Signature of Business Representative)*

(Date)

*Must be an authorized signatory for the Business.

The representations made in checking the boxes constitutes a material representation by the business that is subject to protest and may result in denial of an award or unaward of the procurement involved if the statements are proven to be incorrect.



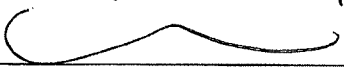
City of Hobbs
Certification Regarding Debarment, Suspension, Ineligibility and
Voluntary Exclusion

The Bidder/Proposer certifies, by submission of this bid/proposal, neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this submission of bid/proposal by any Federal, State or Local government. It further agrees by submitting this bid/proposal that it will include this clause without modification in all lower tier transactions, solicitations, proposals, contracts and subcontracts. Where the bidder/proposer or any lower tier participant is unable to certify to this statement, it shall attach an explanation to this bid/proposal submission

Failure to acknowledge the above conditions would render the Bid/Proposal non-responsive.

I acknowledge:

Company Name: ClassiClean, LLC

Signature: 

Print Name: Cassandra Lawson

NON-COLLUSION AFFIDAVIT

STATE OF NM

City OF Hobbs

Classiclean LLC (name) being first duly sworn, deposes and says that he/she is (title) Owner of (organization) who submits herewith to the City of Hobbs, a bid/proposal:

That all statements of fact in such bid/proposal are true:

That said proposal/bid was not made in the interest of or on behalf of any undisclosed person, partnership, company, association, organization or corporation;

That said proposer/bidder has not, directly or indirectly by agreement, communication or conference with anyone attempted to induce action prejudicial to the interest of the City of Hobbs, or of any proposer/bidder of anyone else interested in the proposed contract; and further, That prior to the public opening and reading of bid/proposal, said bidder/proposer;

1. Did not directly or indirectly, induce or solicit anyone else to submit a false or sham proposal
2. Did not directly or indirectly collude, conspire, connive or agree with anyone else that said bidder or anyone else would submit a false or sham proposal, or that anyone should refrain from bidding or withdraw his/her proposals;
3. Did not in any manner, directly or indirectly, seek by agreement, communication or conference with anyone to raise or fix the proposal price of said bidder or of anyone else, or to raise or fix any overhead, profit or cost element of their proposal price, or of that of anyone else;
4. Did not directly or indirectly, submit his proposed price or any breakdown thereof, or the contest thereof, or divulge information or data relative thereto, to any corporation, partnership, company, association organization, bid depository or to any member or agent thereof, or to any individual group of individuals, except that City of Hobbs, or to any person or persons who have a partnership or other financial interests with said proposer/bidder in his/her business.

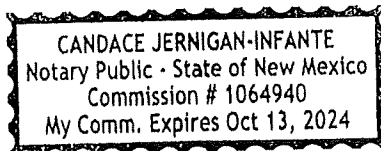
By: [Signature]

Title: Owner

SUBSCRIBED and sworn to before
Candace Jernigan-Infante
My Commission Expires:

October 13, 2024

me this 22 day of April, 2024 Notary Public:



RELATED PARTY DISCLOSURE FORM

(Bidders and Proposers only)

1. Are you indebted to or have a receivable from any member of the City of Hobbs Commissioners, administration officials, department heads, and key management supervisors with the City of Hobbs?

YES ___ NO

2. Are you, or any officer of your company related to any member of the City of Hobbs Commissioners, administration officials, department heads, key management supervisors of the City of Hobbs and have you had any of the following transactions since January 1, 2017 to which City of Hobbs was, is to be, a party?

Sales, Purchase or leasing of property? YES NO

Receiving, furnishing of goods, services YES NO or
facilities?

Commissions or royalty payments? YES NO

3. Does any member of the City Commission; administration officials, department heads, key management supervisors with the City of Hobbs, have any financial interest in your company whether a sole proprietorship, partnership, or corporation of any kind that currently conducts business with the City of Hobbs?

YES ___ NO

4. At any time from January 1, 2017 through the present, did you, your company, or any officer of your company have an interest in or signature authority over a bank account for the benefit of a member of the City Commission administration officials, department heads, key management supervisors with the City of Hobbs?

YES ___ NO

5. Are you negotiating to employ or do you currently employ any employee, officer, or family member of an employee or officer for the City of Hobbs?

6. Are you an employee of the City of Hobbs or a member of your family an employee of the City of Hobbs?

YES NO

The answers to the foregoing questions are correctly stated to the best of my knowledge and belief.

Signature of Owner or Company President



Date

4/22/24

(Print Name and Title):

Cassandra Lawson, owner



ACTION ITEMS



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 20, 2024

SUBJECT: Consideration of Preliminary FY 2024-2025 Budget
DEPT. OF ORIGIN: Finance
DATE SUBMITTED: May 09, 2024
SUBMITTED BY: Deborah Corral, Assistant Finance Director

Summary:

Pursuant to applicable state law the preliminary budget must be approved and submitted to the Local Government Division of the NMDFA by June 1st.

This proposed preliminary budget includes \$76,811,151.86 in proposed General Fund expenditures and \$155,891,451.66 in proposed expenditures for all funds.

Revenues in the General Fund are projected at \$73,293,850.00 and total revenue projections for all funds are set at \$140,842,529.00.

Current projected general fund cash reserve is set at 50% with a preliminary ending cash balance for all funds of \$77,728,505.60.

Fiscal Impact:

Reviewed By: Deborah Corral
Digitally signed by Deborah Corral
Date: 2024.05.09 13:45:29 -06'00
Finance Department

Annual budgeting process has more fiscal impact than any other city policy issue.

Attachments:

Resolution and FY25 Fund Summary

Legal Review:

Approved As To Form: Valerie S. Chacon
Digitally signed by Valerie S. Chacon
Date: 2024.05.13 18:33:37 -06'00
City Attorney

Motion to approve the resolution

Recommendation:

Approved For Submittal By:
Deborah Corral
Digitally signed by Deborah Corral
Date: 2024.05.09 13:45:46 -06'00
Department Director
City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

Resolution No.
Ordinance No.
Approved
Other
Continued To:
Referred To:
Denied
File No.

CITY OF HOBBS

RESOLUTION NO. 7477

2024-2025 PRELIMINARY BUDGET CONSIDERATION

(113th FISCAL YEAR)

WHEREAS, the Governing Body of the Municipality of Hobbs, State of New Mexico has developed a preliminary budget for fiscal year 2024 - 2025; and

WHEREAS, said preliminary budget was developed on the basis of need and through cooperation with all user departments, elected officials and other department supervisors; and

WHEREAS, the official meetings for the review of said documents were duly advertised and held on May 6, 2024 and May 20, 2024, in compliance with the State Open Meetings Act; and

WHEREAS, the majority opinion of this Commission is that the proposed preliminary budget meets the requirements currently determined for fiscal year 2024 -2025.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Governing Body of the Municipality of Hobbs, State of New Mexico, hereby adopts the preliminary budget herein above described and respectfully requests approval from the Local Government Division of the Department of Finance and Administration.

PASSED, ADOPTED, APPROVED AND RESOLVED in session this 20TH day
of May, 2024.

MUNICIPAL GOVERNING BODY OF
HOBBS, NEW MEXICO

SAM D. COBB, Mayor

R. FINN SMITH, Commissioner

CHRISTOPHER R. MILLS, Commissioner

LARRON FIELDS, Commissioner

JOSEPH D. CALDERON, Commissioner

DWAYNE PENICK, Commissioner

DON R. GERTH, Commissioner

ATTEST:

JAN FLETCHER, City Clerk

**City of Hobbs Preliminary Budget
FY25 Fund Summary**

	Beginning Cash (FY24 BAR #3)	Total Revenue	Interfund Transfer	Total Expenditures	Ending Cash
001 GENERAL	48,401,298.07	73,293,850.00	(6,808,968.55)	76,811,151.86	38,075,027.66
002 LAND ACQUISITION	830,648.61	100,000.00		100,000.00	830,648.61
General Fund Subtotal	49,231,946.68	73,393,850.00	(6,808,968.55)	76,911,151.86	38,905,676.27
110 LOCAL GOV CORR	686,894.62	192,500.00		536,000.00	343,394.62
120 POLICE PROTECTION	24,383.39	210,500.00		210,500.00	24,383.39
130 P D N (parif, drug, narcotics)	-	-		-	-
150 COPS GRANT	-	-		-	-
160 RECREATION (CORE)	1,000.00	1,804,000.00	3,562,280.00	5,366,280.00	1,000.00
170 OLDER AMERICAN	31,290.06	269,141.00	965,512.89	1,264,943.95	1,000.00
180 GOLF	48,770.00	1,074,000.00	2,003,633.72	3,125,403.72	1,000.00
190 CEMETERY	1,000.00	224,425.00	777,541.94	1,001,966.94	1,000.00
200 AIRPORT	557,795.25	226,000.00	-	194,500.00	589,295.25
210 LEGISLATIVE APPROPRIATIONS	582,580.89	5,929,000.00		5,929,000.00	582,580.89
220 INTERGOVERNMENTAL GRANTS	-	-		-	-
230 LODGERS' TAX	1,162,416.52	1,825,000.00	(500,000.00)	850,000.00	1,637,416.52
240 LG ABATEMENT FUND (OPIOID)	119,300.36	435,294.00		435,294.00	119,300.36
250 CANNABIS EXCISE TAX FUND	960,025.95	950,000.00	-	27,000.00	1,883,025.95
270 PUBLIC TRANSPORTATION	879,492.64	1,100,000.00		1,324,305.02	655,187.62
280 FIRE PROTECTION	1,123,384.38	740,000.00		806,000.00	1,057,384.38
290 EMER MEDICAL SERV	2,595.39	-		-	2,595.39
300 2022 Retention LER	1,364.04	712,500.00		712,388.00	1,476.04
310 LEDA	-	-	-	-	-
320 2023 Recruitment LER	-	375,000.00	-	374,990.37	9.63
Special Revenue Subtotals	6,182,293.49	16,067,360.00	6,808,968.55	22,158,572.00	6,900,050.04
370 COMM DEVE CONST	1,000.00	-		-	1,000.00
460 BEAUTIFICATION IMPROVEMENT	1,338,849.89	1,000,000.00	670,000.00	3,004,408.00	4,441.89
480 STREET IMPROVEMENTS	53,999.93	1,100,000.00		-	1,153,999.93
490 CITY COMM. IMPROVEMENTS	3,841,977.35	2,800,000.00	(670,000.00)	-	5,971,977.35
Capital Project Subtotals	5,235,827.17	4,900,000.00	-	3,004,408.00	7,131,419.17
510 UTILITY BOND	-	-	307,004.32	307,004.32	-
530 WASTEWATER BOND	1,989,842.96	-	2,442,796.31	2,442,796.31	1,989,842.96
Debt Service Subtotals	1,989,842.96	-	2,749,800.63	2,749,800.63	1,989,842.96
100 SOLID WASTE	2,722,856.74	8,700,000.00		8,615,108.72	2,807,748.02
440 JOINT UTILITY EXTENSIONS CAPITAL PROJECT	1,000.00	-	-	-	1,000.00
600 JOINT UTILITY	1,000.00	-	7,737,258.00	7,737,258.00	1,000.00
610 JOINT UTILITY CONST	1,000.00	-	6,350,000.00	6,350,000.00	1,000.00
620 WASTE WATER PLANT CONST	1,000.00	-	1,385,000.00	1,385,000.00	1,000.00
630 JOINT UTILTYI - WASTEWATER	1,000.00	-	5,936,641.76	5,936,738.00	903.76
650 JOINT UTILTYI INCOME - WASTEWATER	4,205,438.07	8,860,000.00	(9,764,438.07)	-	3,301,000.00
660 JOINT UTILITY INCOME	4,663,703.72	10,205,000.00	(14,454,146.86)	-	414,556.86
680 METER DEPOSIT RES	1,405,056.17	300,000.00		300,000.00	1,405,056.17
690 INTERNAL SUPPLY	115.46	225,000.00	59,884.54	284,000.00	1,000.00
Utility Subtotals	13,002,170.16	28,290,000.00	(2,749,800.63)	30,608,104.72	7,934,264.81
640 MEDICAL INSURANCE	1,809,553.59	8,527,891.00	(1,159,000.00)	8,528,859.00	649,585.59
670 WORKERS COMP TRUST	1,093,454.59	762,840.00		795,680.00	1,060,614.59
740 INSURANCE - RISK	6,950,000.00	1,750,188.00		2,818,371.00	5,881,817.00
Internal Service Subtotal	9,853,008.18	11,040,919.00	(1,159,000.00)	12,142,910.00	7,592,017.18
700 MOTOR VEHICLE	1,802.83	6,000,000.00		6,000,000.00	1,802.83
710 MUNI JUDGE BOND FUND	108,174.34	-		-	108,174.34
720 RETIREE HEALTH INSURANCE TRUST FUND	6,850,000.00	1,091,400.00	1,159,968.00	2,251,368.00	6,850,000.00
730 CRIME LAB FUND	74,148.80	50,000.00		50,000.00	74,148.80
750 FORECLOSURE TRUST FUND	71.88	-		-	71.88
770 LIBRARY TRUST	6,290.69	1,500.00		5,000.00	2,790.69
780 SENIOR CITIZEN TRUST	5,195.94	1,000.00		1,000.00	5,195.94
790 PRAIRIE HAVEN MEM	6,025.45	-		6,025.45	-
800 COMMUNITY PARK TRUST	1,611.76	-		1,611.00	0.76
820 EVIDENCE TRUST FUND	211,602.63	5,000.00		-	216,602.63
830 HOBBS BEAUTIFUL	15,440.93	-		-	15,440.93
860 CITY AGENCY TRUST	1,006.37	1,500.00		1,500.00	1,006.37
Trust & Agency Subtotals	7,281,371.62	7,150,400.00	1,159,968.00	8,316,504.45	7,275,235.17
Grand Total All Funds	92,776,460.26	140,842,529.00	968.00	155,891,451.66	77,728,505.60

50%



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 20, 2024

SUBJECT: State of New Mexico Department of Cultural Affairs, State Library Grant Agreement Fund 89200 Capital Appropriations Project (General Obligation Funds).

DEPT. OF ORIGIN: Library
DATE SUBMITTED: May 2, 2024
SUBMITTED BY: Nicki Lawless, Library Director

Summary:

The City of Hobbs was awarded a grant (State GO Funds) from the Department of Cultural Affairs, New Mexico State Library Division in the amount of \$136,581.60. (no matching funds) If accepted, the grant funds will be used by the Hobbs Public Library for equipment, library furniture, fixtures, information technology projects and supplemental library resource acquisitions, including print, non-print and electronic resources. The grant requires a resolution for acceptance. The reversion date of the grant is June 30, 2026.

Fiscal Impact:

Reviewed By: Finance Department

The grant revenue funds will be budgeted in fiscal year final budget 2025 for \$136,581.60 along with a corresponding expenditure.

Attachments:

Resolution
State of New Mexico Department of Cultural Affairs Fund 89200 Appropriation Project

Legal Review:

Approved As To Form: City Attorney

Recommendation:

Motion to approve the grant agreement

Approved For Submittal By:
Department Director
City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN
Resolution No.
Ordinance No.
Approved
Other
Continued To:
Referred To:
Denied
File No.

CITY OF HOBBS

RESOLUTION NO. 7478

A RESOLUTION AUTHORIZING THE MAYOR TO APPROVE
A GRANT AGREEMENT WITH THE NEW MEXICO
DEPARTMENT OF CULTURAL AFFAIRS FUND 89200 APPROPRIATION PROJECT

WHEREAS, the Hobbs Public Library is eligible to participate in the 2022 New Mexico Department of Cultural Affairs Fund 89200 Appropriation Project; and

WHEREAS, the projects for this grant must be used for library equipment, furniture, fixtures, technology projects or library resources including print and non-print resources, during the FY 2025 and FY 2026; and

WHEREAS, these funds will be reimbursed up to \$136,581.60 provided Library materials budget is not reduced as a result of receipt of bond program funds.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the Mayor be and hereby is authorized and directed to execute on behalf of the City of Hobbs a Grant Agreement with the New Mexico Department of Cultural Affairs Fund 89200 Appropriation Project.

PASSED, APPROVED AND ADOPTED this 20th day of May, 2024.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

**STATE OF NEW MEXICO
DEPARTMENT OF CULTURAL AFFAIRS
FUND 89200 APPROPRIATION PROJECT**

THIS AGREEMENT is made and entered into by and between the Department of Cultural Affairs, New Mexico State Library Division, hereinafter called the "Department" or abbreviation such as "NMSL", and the **CITY OF HOBBS**, hereinafter called the "Grantee" on behalf of the **Hobbs Public Library**. This Agreement shall be effective as of the date it is executed by the Department.

RECITALS

WHEREAS, in the Laws of 2022, Chapter 55, Paragraph B(1)(a), the Legislature made an appropriation to the Department, funds from which the Department is making available to the Grantee pursuant to this Agreement; and

WHEREAS NMSA 1978, Section 18-2-4 directs the state librarian to make rules and regulations necessary to administer the division and as provided by law, and NMSA 1978, Section 18-2-4(B) directs the state librarian to administer grants-in-aid and encourage local library services and generally promote an effective statewide library system;

WHEREAS, the state librarian promulgated administrative rules to govern the distribution of general obligation bonds, which are compiled as Section 4.5.8 NMAC;

WHEREAS, the Grantee on behalf of a library, that is eligible for receipt of such funds because it is a local public library, as defined under section 4.5.8 NMAC that has filed an approved annual report with the Department;

WHEREAS, the Department is granting to Grantee, and the Grantee is accepting the grant of, funds from this appropriation, in accordance with the terms and conditions of this Agreement; and

WHEREAS, the Department determined the amount of the Grant based on the criteria describe in Rule 4.5.8.8 NMAC ("Distribution of Funds").

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties hereby mutually agree as follows:

ARTICLE I. PROJECT DESCRIPTION, AMOUNT OF GRANT AND REVERSION DATE

A. The project that is the subject of this Agreement is described as follows:

Project No. **A22-G5372** for Six Million Dollars (\$6,000,000.00)

APPROPRIATION REVERSION DATE: 30-JUN-2026

Laws of 2022, Chapter 55, Paragraph B(1)(a), \$6,000,000.00 (Six Million Dollars) for equipment, library furniture, fixtures and supplemental library resource acquisitions, including print, non-print and electronic resources, collaborative library resources and information technology projects, and for the purchase and installation of broadband internet equipment and infrastructure at tribal libraries statewide. The Grantee's total reimbursements under this Agreement shall not exceed

\$ 136,581.60

(One hundred thirty-six thousand, five hundred eighty-one dollars and sixty cents) which is hereinafter referred to as "Appropriation Amount." Pursuant to the Art in Public Places Act, zero dollars (\$0.00) has been set aside from the Project and transferred to the Art in Public Places Fund, which is administered by the Cultural Affairs Department.

This project is referred to throughout the remainder of this Agreement as the "Project"; the information contained in Article I(A) is referred to collectively throughout the remainder of this Agreement as the "Project Description." Attachment A sets forth additional or more stringent requirements and conditions, which are incorporated by this reference as if set forth fully herein. If Optional Attachment A imposes more stringent requirements than any requirement set forth in this Agreement, the more stringent requirements of Attachment A shall prevail, in the event of irreconcilable conflict.

The Grantee shall reference the Project's number in all correspondence with and submissions to the Department concerning the Project, including, but not limited to, Requests for Payment and reports.

ARTICLE II. LIMITATION ON DEPARTMENT'S OBLIGATION TO MAKE GRANT DISBURSEMENT TO GRANTEE

A. Upon the Effective Date of this Agreement, for permissible purposes within the scope of the Project Description, the Grantee shall only be reimbursed monies for which the Department has issued and the Grantee has received a Notice of Department's Obligation to Reimburse¹ Grantee (hereinafter referred to as "Notice of Obligation"). This Grant Agreement and the disbursement of any and all amounts of the above referenced Adjusted Appropriation Amount are expressly conditioned upon the following:

- (i) Irrespective of any Notice of Obligation, the Grantee's expenditures shall be made on or before the Reversion Date and, if applicable, an Early Termination Date (i.e., the goods have been delivered and accepted or the title to the goods has been transferred to the Grantee and/or the services have been rendered for the Grantee); and
- (ii) The total amount received by the Grantee shall not exceed the lesser of: (a) the Adjusted Appropriation Amount identified in Article I(A) herein or (b) the total of all amounts stated in the Notice(s) of Obligation evidencing that the Department has received and accepted the Grantee's Third Party Obligation(s), as defined in subparagraph iii of this Article II(A); and
- (iii) The Grantee's expenditures were made pursuant to the State Procurement Code and execution of binding written obligations or purchase orders with third party contractors or vendors for the provision of services, including professional services, or the purchase of tangible personal

¹ "Reimburse" as used throughout this Agreement includes Department payments to the Grantee for invoices received, but not yet paid, by the Grantee from a third party contractor or vendor, if the invoices comply with the provisions of this Agreement and are a valid liability of the Grantee.

property and real property for the Project, hereinafter referred to as “Third Party Obligations”;
and

- (iv) The Grantee’s submittal of timely Requests for Payment in accordance with the procedures set forth in Article IX of this Agreement; and
- (v) In the event that capital assets acquired with Project funds are to be sold, leased, or licensed to or operated by a private entity, the sale, lease, license, or operating agreement:
 - a. must be approved by the applicable oversight entity (if any) in accordance with law; or
 - b. if no oversight entity is required to approve the transaction, the Department must approve the transaction as complying with law.

Prior to the sale, lease, license, or operating agreement being approved pursuant to Articles II(A)(v)(a) and II(A)(v)(b) herein, the Department may, in its sole and absolute discretion and unless inconsistent with State Board of Finance imposed conditions, reimburse the Grantee for necessary expenditures incurred to develop the Project sufficiently to make the sale, lease, license, or operating agreement commercially feasible, such as plan and design expenditures;
and

- (vi) The Grantee’s submission of documentation of all Third Party Obligations and amendments thereto (including terminations) to the Department and the Department’s issuance and the Grantee’s receiving of a Notice of Obligation for a particular amount in accordance with the terms of this Agreement shall be governed by the following:
 - a. The Grantee shall submit to the Department one copy of all Third Party Obligations and amendments thereto (including terminations) as soon as possible after execution by the Third Party **but prior to execution by the Grantee.**
 - b. Grantee acknowledges and agrees that if it chooses to enter into a Third Party Obligation prior to receiving a Notice of Obligation that covers the expenditure, it is solely responsible for such obligations.
 - c. The Department may, in its sole and absolute discretion, issue to Grantee a Notice of Obligation for the particular amount of that Third Party Obligation that only obligates the Department to reimburse Grantee’s expenditures made on or before the Reversion Date or an Early Termination Date. The current Notice of Obligation form is attached to this Agreement as Exhibit 2.
 - d. The date the Department signs the Notice of Obligation is the date that the Department’s Notice of Obligation is effective. After that date, the Grantee is authorized to budget the particular amount set forth in the Notice of Obligation, execute the Third Party Obligation and request the Third Party to begin work. Payment for any work performed or goods received prior to the effective date of the Notice of Obligation is wholly and solely the obligation of the Grantee.

B. The Grantee shall implement, in all respects, the Project. The Grantee shall provide all necessary qualified personnel, material, and facilities to implement the Project. The Grantee shall finance its share (if any) of the costs of the Project, including all Project overruns.

C. Project funds shall not be used for purposes other than those specified in the Project Description.

D. Unless specifically allowed by law, Project funds cannot be used to reimburse Grantee for indirect Project costs.

ARTICLE III. NOTICE PROVISIONS AND GRANTEE AND DEPARTMENT DESIGNATED REPRESENTATIVES

Whenever written notices, including written decisions, are to be given or received, related to this Agreement, the following provisions shall apply.

The Grantee designates the person(s) listed below, or their successor, as their **official financial representative(s)** concerning all matters related to this Agreement:

Grantee: (_____)
Name: _____
Title: _____
Address: _____
Email: _____
Telephone: _____

The Department designates the persons listed below, or their successors, as the Points of Contact for matters related to this Agreement.

Department: New Mexico State Library, Development Bureau
Name: Patricia Moore
Title: GO Bond Project Manager
Address: 1209 Camino Carlos Rey, Santa Fe, NM 87507
Telephone: 505-476-9724
Email: patricia.moore@dca.nm.gov

The Grantee and the Department agree that either party shall send all notices, including written decisions, related to this Agreement to the above-named persons by email or regular mail. In the case of mailings, notices shall be deemed to have been given and received upon the date of the receiving party’s actual receipt or five calendar days after mailing, whichever shall first occur. In the case of email transmissions, the notice shall be deemed to have been given and received on the date reflected on the delivery receipt of email.

ARTICLE IV. REVERSION DATE, TERM, DEADLINE TO EXPEND FUNDS

A. As referenced in Article I(A), the applicable law establishes a date by which Project funds must be expended by Grantee, which is referred to throughout the remainder of this Agreement as the “Reversion Date.” Upon being duly executed by both parties, this Agreement shall be effective as of the date of execution by the Department. It shall terminate on the Reversion Date unless Terminated Before Reversion Date (“Early Termination”) pursuant to Article V herein.

B. The Project’s funds must be expended on or before the Reversion Date and, if applicable, Early Termination Date of this Agreement. For purposes of this Agreement, it is not sufficient for the Grantee to encumber the Project funds on its books on or before the Project's Reversion Date or Early Termination Date. Funds are expended and an expenditure has occurred as of the date that a particular

quantity of goods are delivered to and received by the Grantee or title to the goods is transferred to the Grantee and/or as of the date particular services are rendered for the Grantee. Funds are *not* expended and an expenditure has *not* occurred as of the date they are encumbered by the Grantee pursuant to a contract or purchase order with a third party.

ARTICLE V. EARLY TERMINATION

A. Early Termination Before Reversion Date Due to Completion of the Project or Complete Expenditure of the Adjusted Appropriation or Violation of this Agreement

Early Termination includes:

- (i) Termination due to completion of the Project before the Reversion Date; or
- (ii) Termination due to complete expenditure of the Adjusted Appropriation Amount before the Reversion Date; or
- (iii) Termination for violation of the terms of this Agreement; or
- (iv) Termination for suspected mishandling of public funds, including but not limited to, fraud, waste, abuse, and conflicts of interest.

Either the Department or the Grantee may early terminate this Agreement prior to the Reversion Date by providing the other party with a minimum of fifteen (15) days' advance, written notice of early termination. Grantee hereby waives any rights to assert an impairment of contract claim against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department pursuant to Article V(A).

B. Early Termination Before Reversion Date Due to Non-appropriation

The terms of this Agreement are expressly made contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. Throughout this Agreement the term "non-appropriate" or "non-appropriation" includes the following actions by the New Mexico Legislature: deauthorization, reauthorization or revocation of a prior authorization. The Legislature may choose to non-appropriate the Appropriation referred to in Article I and, if that occurs, the Department shall early terminate this Agreement for non-appropriation by giving the Grantee written notice of such termination, and such termination shall be effective as of the effective date of the law making the non-appropriation. The Department's decision as to whether sufficient appropriations or authorizations are available shall be accepted by the Grantee and shall be final. Grantee hereby waives any rights to assert an impairment of contract claim against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department pursuant to Article V(B).

C. Limitation on Department's Obligation to Make Grant Disbursements to Grantee in the Event of Early Termination

In the event of Early Termination of this Agreement by either party, the Department's sole and absolute obligation to reimburse the Grantee is expressly conditioned upon the limitations set forth Article II.

ARTICLE VI. SUSPENSION OF NEW OR FURTHER OBLIGATIONS

A. The Department may choose, in its sole and absolute discretion, to provide written notice to the Grantee to suspend entering into new and further obligations. Upon the receipt of such written notice by the Grantee:

- (i) The Grantee shall immediately suspend entering into new or further written obligations with third parties; and
- (ii) The Department will suspend the issuance of any new or further Notice of Obligation under this Agreement; and
- (iii) The Department may direct the Grantee to implement a corrective action plan in accordance with Article VI(D) herein.

B. In the event of Suspension of this Agreement, the Department's sole and absolute obligation to reimburse the Grantee is expressly conditioned upon the limitations set forth in Article II herein.

C. A suspension of new or further obligations under this Agreement shall remain in effect unless or until the date the Grantee receives written notice given by the Department informing the Grantee that the Suspension has been lifted or that the Agreement has been Early Terminated in accordance with Article V herein. If the Suspension is lifted, the Department will consider further requests for Notice of Obligation.

D. Corrective Action Plan in the Event of Suspension

In the event that the Department chooses, in its sole and absolute discretion to direct the Grantee to suspend entering into new or further written obligations with third parties pursuant to Article VI(A), the Department may, but is not obligated to, require the Grantee to develop and implement a written corrective action plan to remedy the grounds for the Suspension. Such corrective action plan must be approved by the Department and be signed by the Grantee. Failure to sign a corrective action plan or meet the terms and deadlines set forth in the signed corrective action plan, is hereby deemed a violation of the terms of this Agreement for purposes of Early Termination, Article V(A)(iii). The corrective action plan is in addition to, and not in lieu of, any other equitable or legal remedy, including but not limited to Early Termination.

ARTICLE VII. AMENDMENT

This Agreement shall not be altered, changed, or amended except by instrument in writing duly executed by both the parties hereto.

ARTICLE VIII. REPORTS

A. Database Reporting

The Grantee shall report Project activity, if applicable, by entering such Project information as the Department and the Department of Finance and Administration may require, such information entered directly into a database maintained by the Department of Finance and Administration. Additionally, the Grantee shall certify on the Request for Payment form (Exhibit 1) that updates have been maintained and are current in the database. The Grantee hereby acknowledges that failure to perform and/or certify updates into the database will delay or potentially jeopardize the reimbursement

of funds. The Department shall give Grantee a minimum of thirty (30) days' advance, written notice of any changes to the information the Grantee is required to report. The Paper Final Report must be submitted 90 days from the reversion date.

B. Paper Final Report

The Grantee shall submit to the Department and the Department of Finance and Administration a Final Report (Exhibit 1) for the Project. The Final Report shall be submitted on a form provided by the Department and contain such information as the Department may require. The Final Report form is attached hereto as Exhibit 1. The Department shall provide Grantee with a minimum of thirty (30) days' advance, written notice of any change to the Final Report format or content. The Paper Final Report must be submitted 90 days from the reversion date.

C. Requests for Additional Information/Project Inspection

During the term of this Agreement and during the period of time during which the Grantee must maintain records pursuant to Article VIII, the Department may:

- (i) request such additional information regarding the Project as it deems necessary; and
- (ii) conduct, at reasonable times and upon reasonable notice, onsite inspections of the Project.

Grantee shall respond to such requests for additional information within a reasonable period of time, as established by the Department.

ARTICLE IX. REQUEST FOR PAYMENT PROCEDURES AND DEADLINES

A. The Grantee shall request payment by submitting a Request for Payment, in the form attached hereto as Exhibit 1. Payment requests are subject to the following procedures:

- (i) The Grantee must submit a Request for Payment; and
- (ii) Each Request for Payment must contain proof of payment by the Grantee or liabilities incurred by the Grantee showing that the expenditures are valid or are liabilities incurred by the Grantee in the form of actual unpaid invoices received by the Grantee for services rendered by a third party or items of tangible personal property received by the Grantee for the implementation of the Project; provided, however, that the Grantee may be reimbursed for unpaid liabilities only if the Department, in its sole and absolute discretion, agrees to do so and in accordance with any special conditions imposed by the Department.
- (iii) In cases where the Grantee is submitting a Request for Payment to the Department based upon invoices received, but not yet paid, by the Grantee from a third party contractor or vendor, if the invoices comply with the provisions of this Agreement and are a valid liability of the Grantee, the Grantee shall make payment to those contractors or vendors within five (5) business days from the date of receiving reimbursement from the Department or such shorter period of time as the Department may prescribe in writing. The Grantee is required to certify to the Department proof of payment to the third party contractor or vendor within ten (10) business days from the date of receiving reimbursement from the Department.
- (iv) As an additional condition precedent to payment, the Department may, in its discretion, require the Grantee to submit with its Request(s) for Payment invoices showing the amount and type of expenditures and proof of payment (e.g., cancelled warrant or check (front and back)).

B. The Grantee must obligate 5% of the Adjusted Appropriation Amount within six months of acceptance of the grant agreement and must have expended no less than 85% of the Adjusted Appropriation Amount six months prior to the reversion date.

C. **Deadlines**

Requests for Payments shall be submitted by Grantee to the Department on the earlier of:

- (i) Immediately as they are received by the Grantee but at a minimum thirty (30) days from when the expenditure was incurred, or liability of the Grantee was approved as evidenced by an unpaid invoice received by the Grantee from a third party contractor or vendor; or
- (ii) Twenty (20) days from date of Early Termination; or
- (iii) Twenty (20) days from the Reversion Date; or
- (iv) **Ninety (90) days from the Reversion Date.**

D. The Grantee's failure to abide by the requirements set forth in Article II and Article IX herein will result in the denial of its Request for Payment or will delay the processing of Requests for Payment. The Department has the right to reject a payment request for the Project unless and until it is satisfied that the expenditures in the Request for Payment are for permissible purposes within the meaning of the Project Description and that the expenditures and the Grantee are otherwise in compliance with this Agreement, including but not limited to, compliance with the reporting requirements and the requirements set forth in Article II herein to provide Third Party Obligations and the Deadlines set forth in Article IX herein. The Department's ability to reject any Request for Payment is in addition to, and not in lieu of, any other legal or equitable remedy available to the Department due to Grantee's violation of this Agreement.

ARTICLE X. PROJECT CONDITIONS AND RESTRICTIONS; REPRESENTATIONS AND WARRANTIES

A. The following general conditions and restrictions are applicable to the Project:

- (i) The Project's funds must be spent in accordance with all applicable state laws, regulations, policies, and guidelines, including, but not limited to, the State Procurement Code (or local procurement ordinance, where applicable).
- (ii) The Project must be implemented in accordance with the New Mexico Public Works Minimum Wage Act, Section 13-4-10 through 13-4-17 NMSA 1978, as applicable. Every contract or project in excess of sixty thousand dollars (\$60,000) that the Grantee is a party to for construction, alteration, demolition or repair or any combination of these, including painting and decorating, of public buildings, public works or public roads and that requires or involves the employment of mechanics, laborers or both shall contain a provision stating the minimum wages and fringe benefits to be paid to various classes of laborers and mechanics, shall be based upon the wages and benefits that will be determined by the New Mexico Department of Workforce Solutions to be prevailing for the corresponding classes of laborers and mechanics employed on contract work of a similar nature in the locality. Further, every contract or project shall contain a stipulation that the contractor, subcontractor, employer or a person acting as a contractor shall pay all mechanics and laborers employed on the site of the project, unconditionally and not less often than once a week and without subsequent unlawful

deduction or rebate on any account, the full amounts accrued at time of payment computed at wage rates and fringe benefit rates not less than those determined pursuant to Section 13-4-11 (B) NMSA 1978 to be the prevailing wage rates and prevailing fringe benefit rates issued for the project.

- (iii) The Project may only benefit private entities in accordance with applicable law, including, but not limited to, Article IX, Section 14 of the Constitution of the State of New Mexico, the "Anti-Donation Clause."
- (iv) The Grantee shall not for a period of 10 years from the date of this agreement convert any property acquired, built, renovated, repaired, designed or developed with the Project's funds to uses other than those specified in the Project Description without the Department's and the Board of Finance's express, advance, written approval, which may include a requirement to reimburse the State for the cost of the project, transfer proceeds from the disposition of property to the State, or otherwise provide consideration to the State.
- (v) The Grantee shall comply with all federal and state laws, rules and regulations pertaining to equal employment opportunity. In accordance with all such laws, rules and regulations the Grantee agrees to assure that no person shall, on the grounds of race, color, national origin, sex, sexual preference, age or handicap, be excluded from employment with Grantee, be excluded from participation in the Project, be denied benefits or otherwise be subject to discrimination under, any activity performed under this Agreement. If Grantee is found to be not in compliance with these requirements during the life of this Agreement, Grantee agrees to take appropriate steps to correct any deficiencies. The Grantee's failure to implement such appropriate steps within a reasonable time constitutes grounds for terminating this Agreement.

B. The Grantee hereby represents and warrants the following:

- (i) The Grantee has the legal authority to receive and expend the Project's funds.
- (ii) This Agreement has been duly authorized by the Grantee, the person executing this Agreement has authority to do so, and, once executed by the Grantee, this Agreement shall constitute a binding obligation of the Grantee, enforceable according to its terms.
- (iii) This Agreement and the Grantee's obligations hereunder do not conflict with any law or ordinance or resolution applicable to the Grantee, the Grantee's charter (if applicable), or any judgment or decree to which the Grantee is subject.
- (iv) The Grantee has independently confirmed that the Project Description, including, but not limited to, the amount and Reversion Date, is consistent with the underlying appropriation in law.
- (v) The Grantee's governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing the person identified as the official representative of the Grantee to sign the Agreement and to sign Requests for Payment.
- (vi) The Grantee shall abide by New Mexico laws regarding conflicts of interest, governmental conduct and whistleblower protection. The Grantee specifically agrees that no officer or employee of the local jurisdiction or its designees or agents, no member of the governing body, and no other public official of the locality who exercises any function or responsibility with respect to this Grant, during their tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed or goods to be received,

pursuant to this Grant. Further, Grantee shall require all of its contractors to incorporate in all subcontracts the language set forth in this paragraph prohibiting conflicts of interest.

- (vii) No funds have been paid or will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of this or any agency or body in connection with the awarding of any Third Party Obligation and that the Grantee shall require certifying language prohibiting lobbying to be included in the award documents for all subawards, including subcontracts, loans and cooperative agreements. All subrecipients shall be required to certify accordingly.

ARTICLE XI. STRICT ACCOUNTABILITY OF RECEIPTS AND DISBURSEMENTS; PROJECT RECORDS

A. The Grantee shall be strictly accountable for receipts and disbursements relating to the Project's funds. The Grantee shall follow generally accepted accounting principles, and, if feasible, maintain a separate bank account or fund with a separate organizational code, for the funds to assure separate budgeting and accounting of the funds.

B. For a period of six (6) years following the Project's completion, the Grantee shall maintain all Project related records, including, but not limited to, all financial records, requests for proposals, invitations to bid, selection and award criteria, contracts and subcontracts, advertisements, minutes of pertinent meetings, as well as records sufficient to fully account for the amount and disposition of the total funds from all sources budgeted for the Project, the purpose for which such funds were used, and such other records as the Department shall prescribe.

C. The Grantee shall make all Project records available to the Department, the Department of Finance and Administration, and the New Mexico State Auditor upon request. With respect to the funds that are the subject of this Agreement, if the State Auditor or the Department of Finance and Administration finds that any or all of these funds were improperly expended, the Grantee may be required to reimburse to the State of New Mexico, to the originating fund, any and all amounts found to be improperly expended.

ARTICLE XII. IMPROPERLY REIMBURSED FUNDS

If the Department determines that part or all of the Appropriation Amount was improperly reimbursed to Grantee, including but not limited to, Project funds reimbursed to Grantee based upon fraud, mismanagement, misrepresentation, misuse, violation of law by the Grantee, or violation of this Agreement, the Grantee shall return such funds to the Department for disposition in accordance with law.

ARTICLE XIII. LIABILITY

Neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Agreement. Any liability incurred in connection with this Agreement is subject to immunities and limitations of the New Mexico Tort Claims Act.

ARTICLE XIV. SCOPE OF AGREEMENT

This Agreement constitutes the entire and exclusive agreement between the Grantee and Department concerning the subject matter hereof. The Agreement supersedes any and all prior or contemporaneous agreements, understandings, discussions, communications, and representations, written or verbal.

ARTICLE XV. REQUIRED NON-APPROPRIATIONS CLAUSE IN CONTRACTS FUNDED IN WHOLE OR PART BY FUNDS MADE AVAILABLE UNDER THIS AGREEMENT

The Grantee acknowledges, warrants, and agrees that Grantee shall include a “non-appropriations” clause in all contracts between it and other parties that are (i) funded in whole or part by funds made available under this Agreement and (ii) entered into after the effective date of this Agreement that states:

“The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. If sufficient appropriations and authorization are not made by the Legislature, the Grantee may immediately terminate this Agreement by giving Contractor written notice of such termination. The Grantee’s decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. Contractor hereby waives any rights to assert an impairment of contract claim against the Grantee or the Department or the State of New Mexico in the event of immediate or Early Termination of this Agreement by the Grantee or the Department”

ARTICLE XVI. REQUIRED TERMINATION CLAUSE IN CONTRACTS FUNDED IN WHOLE OR PART BY FUNDS MADE AVAILABLE UNDER THIS AGREEMENT

Grantee acknowledges, warrants, and agrees that Grantee shall include the following termination clause in all contracts that are (i) funded in whole or part by funds made available under this Agreement and (ii) entered into after the effective date of this Agreement:

“This contract is funded in whole or in part by funds made available under a Department Grant Agreement. Should the Department early terminate the grant agreement, the Grantee may early terminate this contract by providing Contractor written notice of such termination. In the event of termination pursuant to this paragraph, the Grantee’s only liability shall be to pay Contractor for acceptable goods delivered and services rendered before the termination date.”

The Grantee hereby waives any rights to assert an impairment of contract claim against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department.

ARTICLE XVII. COMPLIANCE WITH UNIFORM FUNDING CRITERIA.

A. Throughout the term of this Agreement, Grantee shall:

1. submit all reports of annual audits and agreed upon procedures required by Section 12-6-3(A)-(B) NMSA 1978 by the due dates established in 2.2.2 NMAC, reports of which must be a public record pursuant to Section 12-6-5(A) NMSA 1978 within forty-five days of delivery to the State Auditor;

2. have a duly adopted budget for the current fiscal year approved by its budgetary oversight agency (if any);
3. timely submit all required financial reports to its budgetary oversight agency (if any); and
4. have adequate accounting methods and procedures to expend grant funds in accordance with applicable law and account for and safeguard grant funds and assets acquired by grant funds.

B. In the event Grantee fails to comply with the requirements of Paragraph A of this Article XVII, the Department may take one or more of the following actions:

1. suspend new or further obligations pursuant to Article VI(A) of this Agreement;
2. require the Grantee to develop and implement a written corrective action plan pursuant to Article VI(D) of this Agreement to remedy the non-compliance;
3. impose special grant conditions to address the non-compliance by giving the Grantee notice of such special conditions in accordance with Article III of this Agreement; the special conditions shall be binding and effective on the date that notice is deemed to have been given pursuant to Article III; or
4. terminate this Agreement pursuant to Article V(A) of this Agreement.

ARTICLE XVIII. [OPTIONAL IF THE APPROPRIATION IS FUNDED BY SEVERANCE TAX BONDS OR GENERAL OBLIGATION BONDS] SEVERANCE TAX BOND AND GENERAL OBLIGATION BOND PROJECT CLAUSES

A. Grantee acknowledges and agrees that the underlying appropriation for the Project is a severance tax bond or general obligation bond appropriation, and that the associated bond proceeds are administered by the New Mexico State Board of Finance (SBOF), an entity separate and distinct from the Department. Grantee acknowledges and agrees that (i) it is Grantee's sole and absolute responsibility to determine through SBOF staff what (if any) conditions are currently imposed on the Project; (ii) the Department's failure to inform Grantee of a SBOF imposed condition does not affect the validity or enforceability of the condition; (iii) the SBOF may in the future impose further or different conditions upon the Project; (iv) all SBOF conditions are effective without amendment of this Agreement; (v) all applicable SBOF conditions must be satisfied before the SBOF will release to the Department funds subject to the condition(s); and (vi) the Department's obligation to reimburse Grantee from the Project is contingent upon the then current SBOF conditions being satisfied.

B. Grantee acknowledges and agrees that the SBOF may in its sole and absolute discretion remove a project's assigned bond proceeds if the project doesn't proceed sufficiently. Entities must comply with the requirement to encumber five percent (5%) of Project funds within six months of bond issuance as certified by the grantee in the Bond Questionnaire and Certification documents submitted to the SBOF. Failure to comply may result in the bond proceeds reassignment to a new ready project. If this should occur this grant agreement will be suspended until the entity has demonstrated readiness as determined by the SBOF and the Department.

C. Grantee acknowledges and agrees that this Agreement is subject to the SBOF's Bond Project Disbursements rule, NMAC 2.61.6, as may be amended or re-codified. The rule provides definitions and interpretations of grant language for the purpose of determining whether a particular activity is allowable under the authorizing language of the agreement.

[THIS SPACE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date of execution by the Department.

GRANTEE

Signature of Official with Authority to Bind Grantee

By: _____
(Type or Print Name)

Its: _____
(Type or Print Title)

Date

DEPARTMENT OF CULTURAL AFFAIRS

By: Debra Garcia y Griego, Cabinet Secretary

Date

By: Greg Geisler, *Division Director, CFO*, Administration Services Division

Date

By: Max DeAzevedo, General Counsel

Date

By: Eli Guinnee, State Librarian

Date

**STATE OF NEW MEXICO
CAPITAL GRANT PROJECT
Request for Payment Form
Exhibit 1**

I. Grantee Information

(Make sure information is complete & accurate)

A. Grantee: _____

B. Address: _____
(Complete Mailing, including Suite, if applicable)

City _____ State _____ Zip _____

C. Phone No: _____

D. Grant No: _____

E. Project Title: _____

F. Grant Expiration Date: _____

II. Payment Computation

A. Payment Request No. _____

B. Grant Amount: _____

C. AIPP Amount (If Applicable): _____

D. Funds Requested to Date: _____

E. Amount Requested this Payment: _____

F. Reversion Amount (If Applicable): _____

G. Grant Balance: _____

H. GF GOB STB (attach wire if first draw)

I. Final Request for Payment (if Applicable)

III. Fiscal Year :

(The State of NM Fiscal Year is July 1, 20XX through June 30, 20XX of the following year)

IV.

Reporting Certification: I hereby certify to the best of my knowledge and belief, that database reporting is up to date; to include the accuracy of expenditures and grant balance, project status, project phase, achievements and milestones; and in compliance with Article VIII of the Capital Outlay Grant Agreement.

V.

Compliance Certification: Under penalty of law, I hereby certify to the best of my knowledge and belief, the above information is correct; expenditures are properly documented, and are valid expenditures or actual receipts; and that the grant activity is in full compliance with Article IX, Sec. 14 of the New Mexico Constitution known as the "anti donation" clause.

Grantee Fiscal Officer
or **Fiscal Agent (if applicable)**

Grantee Representative

Printed Name

Printed Name

Date:

Date:

(State Agency Use Only)

Vendor Code: _____ **Fund No.:** _____ **Loc No.:** _____

I certify that the State Agency financial and vendor file information agree with the above submitted information.

Division Fiscal Officer

Date

Division Project Manager

Date

**NOTICE OF OBLIGATION TO REIMBURSE GRANTEE
EXHIBIT 2**

Notice of Obligation to Reimburse Grantee [# 1]

DATE: [REDACTED]

TO: Department Representative: [REDACTED]

FROM: Grantee: [REDACTED]

Grantee Official Representative: [REDACTED]

SUBJECT: Notice of Obligation to Reimburse Grantee

Grant Number: [REDACTED]

Grant Termination Date: [REDACTED]

As the designated representative of the Department for Grant Agreement number [REDACTED] entered into between Grantee and the Department, I certify that the Grantee has submitted to the Department the following third party obligation executed, in writing, by the third party's authorized representative:

Vendor or Contractor:

[REDACTED]

Third Party Obligation Amount: [REDACTED]

Vendor or Contractor:

[REDACTED]

Third Party Obligation Amount: [REDACTED]

Vendor or Contractor:

[REDACTED]

Third Party Obligation Amount: [REDACTED]

I certify that the State is issuing this Notice of Obligation to Reimburse Grantee for permissible purposes within the scope of the project description, subject to all the terms and conditions of the above referenced Grant Agreement.

Grant Amount (Minus AIPP if applicable):

[REDACTED]

The Amount of this Notice of Obligation:

[REDACTED]

The Total Amount of all Previously Issued Notices of Obligation:

[REDACTED]

The Total Amount of all Notices of Obligation to Date:

[REDACTED]

Note: Contract amounts may exceed the total grant amount, but the invoices paid by the grant will not exceed the grant amount.

Department Rep. Approver:

[REDACTED]

Title:

[REDACTED]

Signature:

[REDACTED]

Date:

[REDACTED]

¹ Administrative and/or Indirect Cost – generally, the legislation authorizing the issuance of bonds prohibits the use of its proceeds for indirect expenses (e.g. penalty fees or damages other than pay for work performed, attorney fees, and administrative fees). Such use of bond proceeds shall not be allowed unless specifically authorized by statute.

STATE OF NEW MEXICO
2022 GO BOND PROJECT
PAPER PERIODIC/FINAL REPORT
EXHIBIT 3

PERIODIC REPORT FINAL REPORT

Grantee: _____ Name of Library: _____

Project Number: A22-G5372 Reporting Period: _____

1. Please provide a detailed status of project referenced above.

A. Third Party Obligations

Purchase Order or Contract # _____

Name of Contractor or Vendor: _____

Amount of Third Party Obligation: _____

Date Executed: _____

Termination Date: _____

2. Original Grant Amount: _____

Total Grant Amount Expended by Grantee to Date: _____

Grant Balance as of this Date: _____

PERIODIC REPORT

I hereby certify that the aforementioned Capital Grant Project funds are being expended in accordance with all requirements of the Grant Agreement, and in compliance with all other applicable requirements.

FINAL REPORT

I hereby certify that the aforementioned Capital Grant Project funds have been completed and funds were expended in accordance with all requirements of the Grant Agreement, and in compliance with all other applicable state/regulatory requirements.

Grantee Representative/Title

Date

ATTACHMENT A

<https://www.srca.nm.gov/parts/title04/04.005.0008.html>

Section 18-2-4 I NMSA 1978 directs the state librarian to make rules and regulations necessary to administer the division and as provided by law. Section 18-2-4 B NMSA 1978 directs the state librarian to administer grants-in-aid and encourage local library services and generally promote an effective statewide library system.

4.5.8.8 DISTRIBUTION OF FUNDS: Money from the library bond program shall be distributed in the following manner:

A. Notification: When the library bond program funds are approved by the voters, the state library shall send a letter of notification and acceptance agreement to all public libraries informing them of their eligibility to receive the funds and the amount of funds they are eligible to receive. The agreement must be signed and returned to the state library one-hundred twenty (120) days before the start of the authorized expenditure period. Libraries that do not return the signed agreement within the required time period shall not be eligible to receive funds. Upon receipt of the agreements, the state library shall calculate the final allocation and the libraries shall be notified of any changes within ninety (90) days before the authorized expenditure period.

B. Allocation: The amount allocated to eligible public libraries is dependant upon the amount of bond funds approved by the state legislature and approved by the voters in a bond election. The state library may publish and make publicly available a list showing the bond fund allocations for each eligible library.

C. Criteria for allocation of funds: The state librarian shall establish the amount of funds to be allocated to each eligible library system using the following criteria.

- (1) Library shall be a local public library.
- (2) Library shall have filed an approved annual report with the state library.
- (3) Library shall return a signed agreement accepting the funds and agreeing to abide by the terms and conditions of this rule.
- (4) Non-profit libraries shall have an agreement with a local funding authority to act as their fiscal agent for these funds.
- (5) The library's and the local funding authority's accounting records shall be sufficient to document expenditures of library bond program money. At the sole discretion of the state library, such records may be audited annually or as needed by the state library or its designated representative.
- (6) County population and the library's legal service area shall be used to determine the amount of library bond program funds that shall be allocated to each eligible library.

D. Distribution of funds: Money from the library bond program funds shall be distributed in the following order:

(1) library system allocation: each eligible local public library system, including rural library services facilities, shall receive a fixed allocation dependent upon the total library bond funds available;

(2) per capita allocation: remaining library bond funds shall be distributed to each county on a per capita basis using the latest U. S. census bureau estimates, as follows: (a) each library shall receive funds based upon the legal service area population and proportional credit for the unassigned population in each county; and, (b) local public libraries that are the only local public library in their county shall receive the entire per capita allocation for the county.

E. Maintenance of effort:

(1) Library's book or materials budget shall not be reduced by the local funding authority as a result of eligibility for library bond program funds.

(2) Upon demonstrated evidence that such a reduction has occurred, the library shall be ineligible to receive funds in the next library bond program.

[4.5.8.8 NMAC - N, 2/14/2008]



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 20, 2024

SUBJECT: A RESOLUTION APPROVING THE FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF HOBBS AND THE ECONOMIC DEVELOPMENT CORPORATION OF LEA COUNTY FY 2023-2024

DEPT. OF ORIGIN: Legal Department
DATE SUBMITTED: May 9, 2024
SUBMITTED BY: Valerie S. Chacon, City Attorney

Summary: This resolution is for the approval of the first amendment to the Professional Services Agreement between the City of Hobbs and the Economic Development Corporation of Lea County for FY 2023-2024. The amendment is to Sections 2.4 and 2.5. It determined the previous subsidy was insufficient to continue the current flight schedule to and from Hobbs, New Mexico. The amendment allows for the additional \$1.1 million dollars to be included in the City's share in the airline subsidy. The City's amended share of the subsidy is two million, seven hundred fifty-five thousand and three hundred and sixty-four dollars (\$2,755,364.00).

Deborah Corral
Digitally signed by Deborah Corral
Date: 2024.05.09 14:01:38 -06'00'

Fiscal Impact:

Reviewed By: Corral
Finance Department

The funds are budgeted in the FY24 final budget and increased in BAR #4 in anticipation of this amendment.

Attachments:

Resolution;
First Amendment to the Professional Service Agreement between the City and EDC (FY23-24)

Legal Review:

Approved As To Form: Valerie S. Chacon
City Attorney

Recommendation:

To be determined by the City Commission.

Approved For Submittal By:
Deborah Corral
Digitally signed by Deborah Corral
Date: 2024.05.09 14:01:57 -06'00'
Department Director
City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

Resolution No.
Ordinance No.
Approved
Other
Continued To:
Referred To:
Denied
File No.

CITY OF HOBBS

RESOLUTION NO. 7479

A RESOLUTION APPROVING THE FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF HOBBS AND THE ECONOMIC DEVELOPMENT CORPORATION OF LEA COUNTY FY 2023-2024

WHEREAS, the Economic Development Corporation of Lea County (EDC) previously agreed to negotiate and obtain a jet airline service to and from Hobbs, NM; and

WHEREAS, the City of Hobbs and Lea County previously agreed to share equally the costs of the Airline Subsidy funding for FY 23-24 pursuant to a Memorandum of Understanding between the City of Hobbs and Lea County; and

WHEREAS, on July 24, 2023, the City of Hobbs and the EDC executed a professional services agreement wherein the EDC agreed to "Provide the services of continuing non-stop commercial airline jet services to and from Hobbs, New Mexico"; and

WHEREAS, the EDC previously reached terms with United Airlines wherein United Airlines would provide commercial airline jet services to and from Hobbs, New Mexico for FY 23-24; and

WHEREAS, in May 2023, it was determined that the previous subsidy was insufficient to continue the current flight schedule to and from Hobbs, New Mexico; and

WHEREAS, it has been determined that an additional \$1.1 million dollars of the City of Hobbs' share of the subsidy to the airline will be needed in order to maintain the current flight schedule to and from Hobbs, New Mexico; and

WHEREAS, the parties seek to amend Section 2.4 and 2.5 of the July 24, 2023, Professional Services Agreement between the City of Hobbs and the EDC to include an

additional \$1.1 Million dollars to the EDC for providing and maintaining nonstop commercial airline jet service to and from Hobbs, New Mexico for FY 23-24;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO that the Mayor be and is hereby directed to execute an amendment to the Professional Services Agreement with Economic Development Corporation of Lea County for FY 23-24.

PASSED, ADOPTED AND APPROVED this 20th day of May, 2024.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT
CITY OF HOBBS – ECONOMIC DEVELOPMENT CORPORATION OF LEA COUNTY

FY 2023-2024

WHEREAS, NMSA 1978, §3-17-1, provides that cities are granted those powers necessary and proper to provide for the safety, preserve the health, promote the prosperity and improve the morals, order, comfort and convenience of the City and its inhabitants; and

WHEREAS, the City of Hobbs and the Economic Development Corporation of Lea County executed a Professional Services Agreement on July 24, 2023, which is attached hereto and incorporated herein as Exhibit 1; and

WHEREAS, the City of Hobbs and the Economic Development Corporation of Lea County seek to amend Section 2.4 and 2.5 of the July 24, 2023, Agreement; and

NOW THEREFORE, pursuant to Section 5.10 of the July 19, 2021, Professional Service Agreement the City of Hobbs (hereinafter referred to as "City") and Economic Development Corporation of Lea County (hereinafter referred to as "Contractor") and hereby do agree as follows:

2.4 City agrees that its obligation (MRG cap) pursuant to the contract between CONTRACTOR and the commercial airline shall be TWO MILLION, SEVEN HUNDRED FIFTY-FIVE THOUSAND AND THREE HUNDRED AND SIXTY-FOUR DOLLARS (\$2,755,364.00), and if it is determined that the MRG cap is insufficient to cover the airline subsidy, this agreement may be amended to satisfy the MRG cap. The City Manager is authorized to amend this agreement not exceeding 10% of the agreed-upon obligation; for all other amendments, this agreement shall be brought before the City Commission. This airline subsidy is intended for providing and maintaining non-stop commercial airline jet service to and from Hobbs, New Mexico.

2.5 City shall pay CONTRACTOR a sum not to exceed TWO MILLION SEVEN HUNDRED FIFTY-FIVE THOUSAND AND THREE HUNDRED AND SIXTY-FOUR DOLLARS (\$2,755,364.00)(sum outlined as follows: \$2,604,092.00 from general fund and \$151,272.00 from Lodgers' Tax Fund) for providing and maintaining non-stop commercial airline jet service to and from Hobbs, New Mexico. CONTRACTOR shall submit invoices and appropriate documentation for services rendered to the City of Hobbs, 200 E. Broadway, Hobbs, NM 88240 Attn: Finance Department for payment associated with the airline.

Furthermore, it is the express intent of the City and CONTRACTOR that all other provisions of the July 24, 2023, Professional Services Agreement not specifically addressed herein remain in full force and effect as specifically written and interpreted in the July 24, 2023, Agreement attached hereto and incorporated herein as Exhibit 1.

[Required Signatures on Next Page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this _____ day of _____, 2024.

ATTEST:

THE CITY OF HOBBS, NEW MEXICO

By: _____
SAM D. COBB, Mayor

By: _____
JAN FLETCHER, City Clerk

By: _____
TOBY SPEARS, Finance Director

ATTEST:

ECONOMIC DEVELOPMENT CORPORATION OF LEA COUNTY

By: _____
JENNIFER GRASSHAM, President & CEO

By: _____
DAVID SHAW, Chairman

APPROVED AS TO FORM:

VALERIE S. CHACON, City Attorney



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 20, 2024

SUBJECT: A RESOLUTION APPROVING A MEMORANDUM OF AGREEMENT BETWEEN LEA COUNTY AND THE CITY OF HOBBS FOR AFFORDABLE HOUSING PROJECTS AND HOUSING/INFRASTRUCTURE PROGRAMS.

DEPT. OF ORIGIN: Legal Department
DATE SUBMITTED: May 9, 2024
SUBMITTED BY: Valerie S. Chacon, City Attorney

Summary:

Lea County extended a Memorandum of Agreement to the City for funding of Affordable Housing projects and Housing/Infrastructure Programs. Under the agreement, Lea County intends to provide the City of Hobbs with a \$14,000,000.00 grant for said purposes. On April 11, 2024, the City Manager and Assistant City Manager presented the City of Hobbs' intention and purpose for the grant at the Board of County Commissioners of Lea County Meeting. The Board of County Commissioners of Lea County agreed with the City of Hobbs' intention and purpose and authorized the Memorandum of Agreement in the amount of \$14,000,000.00. The Board of County Commissioners of Lea County will hold their Commissioner meeting on May 23, 2024, and this Memorandum of Agreement will be on the agenda.

The Memorandum of Agreement:

- The County will provide a grant of \$14,000,000.00 to the City payable as follows:
\$2,800,000.00 by June 30, 2024;
\$2,800,000.00 by July 31, 2024;
\$2,800,000.00 by July 31, 2025;
\$2,800,000.00 by July 31, 2026; and
\$2,800,000.00 by July 31, 2027
The City shall use the grant funds as outlined in its letter and as presented by City Manager Gomez and Assistant City Manager Randall to the County on April 11, 2024, at the County's regularly scheduled meeting.
The City shall use the grant funds by September 30, 2029.
This Memorandum of Agreement shall continue in full force and effect until the grant funds have been used or September 30, 2029, whichever occurs first.

Fiscal Impact:

The City shall receive a grant in the amount of \$14,000,000.00

Reviewed By: Deborah Corral
Finance Department

Digitally signed by Deborah Corral
Date: 2024.05.09 17:30:01 -06'00'

Attachments:

Resolution; Proposed MOA with Lea County

Legal Review:

Approved As To Form: /s/ Valerie S. Chacon
City Attorney

Recommendation:

The City Commission should consider the Resolution.

Approved For Submittal By:
/s/ Valerie S. Chacon
Department Director



City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Approved _____
Other _____

Continued To: _____
Referred To: _____
Denied _____
File No. _____

CITY OF HOBBS

RESOLUTION NO. 7480

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A MEMORANDUM OF AGREEMENT WITH LEA COUNTY FOR AFFORDABLE HOUSING PROJECTS AND HOUSING/INFRASTRUCTURE PROGRAMS

WHEREAS, the City of Hobbs Commission wishes to enter a Memorandum of Agreement with the Board of County Commissioners for a grant to the City of Hobbs in the amount of \$14,000,000.00 for Affordable Housing Projects and Housing/Infrastructure Programs; and

WHEREAS, the City of Hobbs Commission and the Board of County Commissioners of Lea County recognize that the City of Hobbs has a shortage of housing, which impacts the quality of life for its residents; and

WHEREAS, the Board of County Commissioners of Lea County has agreed upon the City of Hobbs' intention and purpose for the use of the grant.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the Mayor be and is hereby directed to execute a Memorandum of Agreement with Lea County for a grant in the amount of \$14,000,000.00 for Affordable Housing and Housing/Infrastructure Projects.

PASSED, ADOPTED AND APPROVED this 20th day of May, 2024.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

**MEMORANDUM OF AGREEMENT BETWEEN
LEA COUNTY, NEW MEXICO AND THE
CITY OF HOBBS**

This Memorandum of Agreement is made on the date of the signatures below by and between Lea County, New Mexico, (hereinafter “County”) and the City of Hobbs (hereinafter “City”).

PURPOSE

The purpose of this Memorandum of Agreement is to memorialize the terms and agreement, including changes thereto, between County and City regarding County’s grant of \$14,000,000.00 for funding of affordable housing projects and housing/infrastructure programs.

WHEREAS, at its regular meeting on April 11, 2024, the Board of County Commissioners of Lea County heard a request from the City for funds for housing development; and

WHEREAS, the Board of County Commissioners of Lea County recognizes that there is a shortage of housing in the City that impacts the quality of life for the residents of the City.

AGREEMENT

1. The County will provide a grant of \$14,000,000.00 to the City payable as follows:
 - a. \$2,800,000.00 by June 30, 2024;
 - b. \$2,800,000.00 by July 31, 2024;
 - c. \$2,800,000.00 by July 31, 2025;
 - d. \$2,800,000.00 by July 31, 2026; and
 - e. \$2,800,000.00 by July 31, 2027.
2. The City shall use the grant funds as outlined in its letter and as presented by City Manager Gomez and Assistant City Manager Randall to the County on April 11, 2024, at the County’s regularly scheduled meeting. *Exhibit 1: Letter.*
3. The City shall use the grant funds by September 30, 2029.
4. The City shall maintain the funds in a separate special revenue fund in which all expenditures shall also be recorded.
5. If the City wishes to use the funds for any other use than those as permitted in paragraph two above, it must first obtain the written approval of County prior to any other use of the funds.

6. If the City wishes to use additional funds beyond the yearly disbursement, the City shall submit a written request to the County for the additional funds. The total amount of the grant payments, scheduled or additional, shall not exceed \$14,000,000.00.

7. The City shall solely be responsible for compliance with State law governing the use of public funds for affordable housing projects and housing/infrastructure programs.

8. The City shall provide a report on use of the funds to the Board of County Commissioners of Lea County no less than annually beginning September 2025.

SOVEREIGN IMMUNITY

County and City and their public employees (as defined in the New Mexico Tort Claims Act) do not waive sovereign immunity, do not waive any defense(s), and/or do not waive any limitation(s) pursuant to the New Mexico Tort Claims Act. No provision in this Memorandum of Agreement modifies and/or waives any provision of the New Mexico Tort Claims Act as it relates to County and City and their public employees.

LIABILITY

Each party agrees to bear liability and responsibility for the negligent, reckless or deliberate acts or omissions of their own officers and employees, as limited by the New Mexico Tort Claims Act.

THIRD PARTY BENEFICIARIES

It is specifically agreed between the parties executing the Memorandum of Agreement that it is not intended by any of the provisions of any part of the Memorandum of Agreement to create in the public or any member thereof, a third party beneficiary, or to authorize anyone not a party to the Memorandum of Agreement to maintain, pursuant to the provisions of the Memorandum of Agreement, a suit of any nature, including but not limited to suits alleging wrongful death, bodily and/or personal injury to person(s), damages to property(ies), and/or any cause of action.

INSURANCE

Both County and City shall maintain liability insurance or qualify as a self-insured entity, as required by law.

TERM

This Memorandum of Agreement shall continue in full force and effect, until the grant funds have been used or September 30, 2029, whichever occurs first.

SEVERABILITY

If any provision of this Memorandum of Agreement is found to be invalid or unenforceable for any reason, the remaining provisions will continue to be valid and enforceable. If a court finds that any provision of this Memorandum of Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision will be deemed to be written, construed, and enforced as so limited.

NO ORAL MODIFICATION

The forgoing constitutes the entire agreement between the Parties and may be modified only in writing signed by both Parties. Amendments and alterations to this Memorandum of Agreement after execution may only be made in writing signed by both parties.

GOVERNING LAW

This Memorandum of Agreement shall be construed in accordance with the laws of the State of New Mexico.

EFFECTIVE DATE

This Memorandum of Agreement shall be in full force and effect upon execution and approval of the parties hereto. Each signing person affirms that such person has been authorized to do so by a formal act of his or her governing body.

ATTEST:

CITY OF HOBBS

BY: _____
Sam Cobb
Mayor

Date: _____

ATTEST:

LEA COUNTY, NEW MEXICO

BY: _____
Gary Eidson,
Chair

Date: _____

Approved as to Form:

By: _____
Valerie Chacon
City Attorney

Date: _____

By: _____
John W. Caldwell
County Attorney

Date: _____



ENGINEERING DEPARTMENT

200 E. Broadway
Hobbs, NM 88240

575-397-9232 bus
575-397-9227 fax

March 21st, 2024

Mike Gallagher, County Manager
County Manager Office - Lea County
100 N. Main Avenue, Suite 4
Lovington, NM 88260

mgallagher@leacounty.net

RE: Lea County Housing Partnership with City of Hobbs

Dear Mike Gallagher, County Manager

At the request of City Manager, Manny Gomez, thank you for the County's interest in partnering with the City of Hobbs Housing Incentive program and development agreements. Over the last 12 years, the City of Hobbs has incentivized the production of nearly 2,500 housing units consisting of single family houses, multi-family apartment units and affordable housing units. The City's total investment is over \$21 Million, which doesn't include other Development Agreements for the oversize of public infrastructure and fair share contribution for the extension of public infrastructure.

The increased property tax valuation is approximately \$430M over the last 12 years (doesn't include affordable housing units), which today generates nearly \$1M in reoccurring property tax revenue for Lea County.

There is still a strong demand for housing in Hobbs and Lea County with only 70 homes on the Multiple Listing Service (MLS) in Hobbs and only 98 homes on the MLS for the entire County (doesn't include new construction homes). Over the last three years, approximately 140 lots were developed per year and 139 single family homes permitted per year, which a limiting factor may be the lack of utility infrastructure along major corridors

Housing Incentive Programs:

The City's single family housing incentive program was reduced from \$10,000 to \$5,000 per unit due to HB6 (June 21, 2021). With the County's participation, the housing incentive program would be increased from \$5,000 to \$10,000 per unit produced.

The City's strategy is to address housing needs in all categories, which has included Multi-Family / Apartment units and Affordable Housing unit production. The most recent development is the Berry St. Senior Apartment Complex, which will open in the 2nd Quarter of 2024

Table with 4 columns: Single Family Housing, Multi Family Housing, Affordable Housing, and TOTAL. It shows total investment for the last 12 years and an average investment per unit for each category.

Development Agreements / City Initiated Infrastructure Projects:

The City of Hobbs separately participates in the oversize of public infrastructure (roadways and utilities), gaps in public infrastructure and fair share agreements when a development doesn't benefit from both sides of roadway and/or utility infrastructure. Over the last 12 years the City of Hobbs invested on average \$1M per year on Developer or City initiated infrastructure extensions to address gaps, fair share or oversizing.

Based on the past 12 year trend, there is the potential to expend **\$14M over the next 5 years** through the City's increased housing incentive programs, Development Agreements and City Initiated Infrastructure projects within the corporate boundaries of the City of Hobbs.

The Mayor, Sam Cobb and City Manager, Manny Gomez, want to express their gratitude for the consideration of participation in the City's effort to increase the availability of housing in the City of Hobbs and Lea County. Housing could be the limiting factor for increased growth and economic development.

This letter is also be copied to County Commissioner Sena, as requested by City Manager, Manny Gomez. If you have any questions, don't hesitate to contact myself (575-397-9237) or City Manager, Manny Gomez at 575-397-9206.

Sincerely,
THE CITY OF HOBBS



Todd Randall, City Engineer
trandall@hobbsnm.org
575-397-9237

xc: Manny Gomez, City Manager mgomez@hobbsnm.org
Sam Cobb, City of Hobbs Mayor scobb@rmsfoods.com
Johnathon Sena, Lea County Commission jsena@leacounty.net



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 20, 2024

SUBJECT: RESCINDING CONDEMNATION ON CERTAIN PROPERTIES THAT HAVE PREVIOUSLY BEEN DETERMINED TO BE RUINED, DAMAGED, DILAPIDATED AND A MENACE TO PUBLIC COMFORT, HEALTH AND SAFETY

DEPT. OF ORIGIN: City of Hobbs Legal Department, Hobbs Police Department - Community Services
DATE SUBMITTED: May 9, 2024
SUBMITTED BY: Amber C. Leija, Assistant City Attorney, and Jessica Silva, Community Services Superintendent

Summary:

The City of Hobbs is proposing a Resolution to rescind condemnation of certain properties. These properties were previously condemned, but are no longer ruined, damaged, dilapidated and a menace to public comfort, health and safety. Pursuant to Section 8.24.010 of the Hobbs Municipal Code, the City of Hobbs may condemn a property if it is determined ruined, damaged, dilapidated and a menace to public comfort, health and safety and require such properties to be removed. The properties listed in attachment "A" have all been demolished or renovated, therefore, rendering the properties in compliance with the Hobbs Municipal Code. This Resolution will rescind the condemnation designation from the properties described in attachment "A", for they are no longer ruined, damaged, dilapidated, or a menace to public comfort, health and safety.

Fiscal Impact:

Reviewed By: [Signature] Finance Department

There is no fiscal impact for this proposed resolution amendment.

Attachments:

- 1. Resolution
2. Photos of properties contained in Attachment "A".
3. Attachment "A"

Legal Review:

Approved As To Form: [Signature] City Attorney

Recommendation:

The Commission should adopt the Resolution.

Approved For Submittal By:

[Signature] Department Director

[Signature] City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

Resolution No. _____ Continued To: _____
Ordinance No. _____ Referred To: _____
Approved _____ Denied _____
Other _____ File No. _____

CITY OF HOBBS

RESOLUTION NO. 7481

A RESOLUTION RESCINDING CONDEMNATION ON CERTAIN PROPERTIES THAT
HAVE PREVIOUSLY BEEN DETERMINED TO BE RUINED, DAMAGED,
DILAPIDATED AND A MENACE TO PUBLIC COMFORT, HEALTH AND SAFETY

WHEREAS, pursuant to Section 8.24.010 of the Hobbs Municipal Code, and NMSA 1978, § 3-18-5, the City may condemn a property if the property is determined to be ruined, damaged, dilapidated and a menace to public comfort, health and safety and required such property to be removed; and

WHEREAS, the City has inspected the properties described in Attachment "A", which have been previously condemned by this commission; and

WHEREAS, the City finds the properties in Attachment "A" to be in compliance with the Hobbs Municipal Code; and

WHEREAS, the City Commission desires to rescind the condemnation of the properties listed in Attachment "A" as the properties are no longer ruined, damaged, dilapidated, or a menace to the public comfort, health and safety.

NOW, THEREFORE, BE IT RESOLVED by the governing body of the City of Hobbs that the condemnation of the properties listed in Attachment "A" is hereby rescinded.

PASSED, ADOPTED AND APPROVED this 20th day of May, 2024.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

Attachment A

	Address	Owner	Owner's Address
1	<p>1200 E. Broadway (Apts. 613, 614, 615, 616) Hobbs, Lea County, NM</p> <p>*A tract of land located in the Northeast Quarter of the Southwest Quarter (NE1/4SW1/4) of Section 35, Township 18 South, Range 38 East, N.M.P.M., Lea County, New Mexico described as follows: Beginning at a 1-1/4" axel at the Northwest corner of this tract, which lies East 1320.0 feet and South 361.5 feet from the West 1/4 corner of said Section 35; thence S89°38'50"E, 298.63 feet to a 1/2" Rebar, said point also being the Northwest corner of that certain tract of land deeded to Gopalbhai B. Desai, et al, by deed dated August 18, 1992 and recorded in Book 485, Page 307, Deed Records, Lea County, New Mexico; thence S00°08'02"W, along the most Westerly line of said Desai, et al, tract at 298.5 feet passing the Northwest corner of that certain tract of land deeded to W. P. Wilkerson and Billie P. Wilkerson, husband and wife, by deed dated December 14, 1989 and recorded in Book 458, Page 451, Deed Records, Lea County, New Mexico and continuing</p>	<p>- Avalon Cove Apartment LLC</p> <p>- Northwest Registered Agent</p> <p>- Richel Francis</p>	<p>- 530-B Harkle Road, STE 100, Santa Fe, NM, 87505</p> <p>- 2201 Menaul Blvd. NE. Ste A Albuquerque, NM, 87101</p> <p>- 1882 Forest Hills Blvd. Cleveland, Ohio, 44112</p>

<p>along the West line of said Wilkerson tract, in all a distance of 681.03 feet to a ½" rebar with PVC cap marked "King 6541", a point on the North line of Broadway Street, and also being the Southwest corner of said Wilkerson tract; thence S81°46'33"W, along the North line of said Broadway Street, 150.58 feet to a ½" rebar with PVC cap marked "King 6541", said point also being the Southeast corner of that certain tract of land deeded to Creamland Dairies, Inc. by deed dated October 2, 1989 and recorded in Book 456, Page 696, Deed Records, Lea County, New Mexico; thence N00°00'00"E along the East line of said Creamland tract, 278.12 feet to a ½" rebar with PVC cap marked "King 6541", said point also being the Northeast corner of said Creamland tract; thence N89°53'45"W, along the North line of said Creamland tract 149.87 feet to a spike nail, said point also being a point in the West line of the Northeast Quarter of the Southwest Quarter of said Section 35; thence N00°15'02"E, along the West line of said Northeast Quarter of the Southwest Quarter,</p>		
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	426.02 feet to the point of beginning.		
2	306 S. Mckinley * Lot Eight (8), Block Sixty-seven (67), Original Hobbs to the City of Hobbs, Lea County, New Mexico, as referenced on the official Plat filed.	Teodoro V. Ortiz & Rosa Carrasco	PO Box 2154 Hobbs, NM, 88241 1315 E. Clinton Hobbs, NM, 88240
3	712 S. Selman Hobbs, Lea County, NM *Lot Thirteen (13), Block Thirty (30), New Hobbs Addition to the City of Hobbs, Lea County, New Mexico, as referenced on that certain Plat filed August 26, 1930.	Lazaro Bueno Jr., Raul Ortega Bueno, Luz Dibina Buena "AKA" Luz Divina Rojas, Jose Bueno, Ramona Ortega, & Larzaro Bueno Jr. ETAL	510 E. Gypsy Hobbs, NM, 88240 2908 N. Houston Hobbs, NM, 88240 1314 E. Byers Hobbs, NM, 88240 602 E. Humble Hobbs, NM, 88240
4	1110 S. Farquhar Hobbs, Lea County, NM *Lots Fourteen (14), Fifteen (15), Sixteen (16) and Seventeen (17), Block Fourty-Seven (47), Original New Hobbs Addition to the City of Hobbs, Lea County, New Mexico, as referenced on that certain Plat filed July 30, 1928.	Jerry Jackson	1301 S. Jefferson Hobbs, NM, 88240

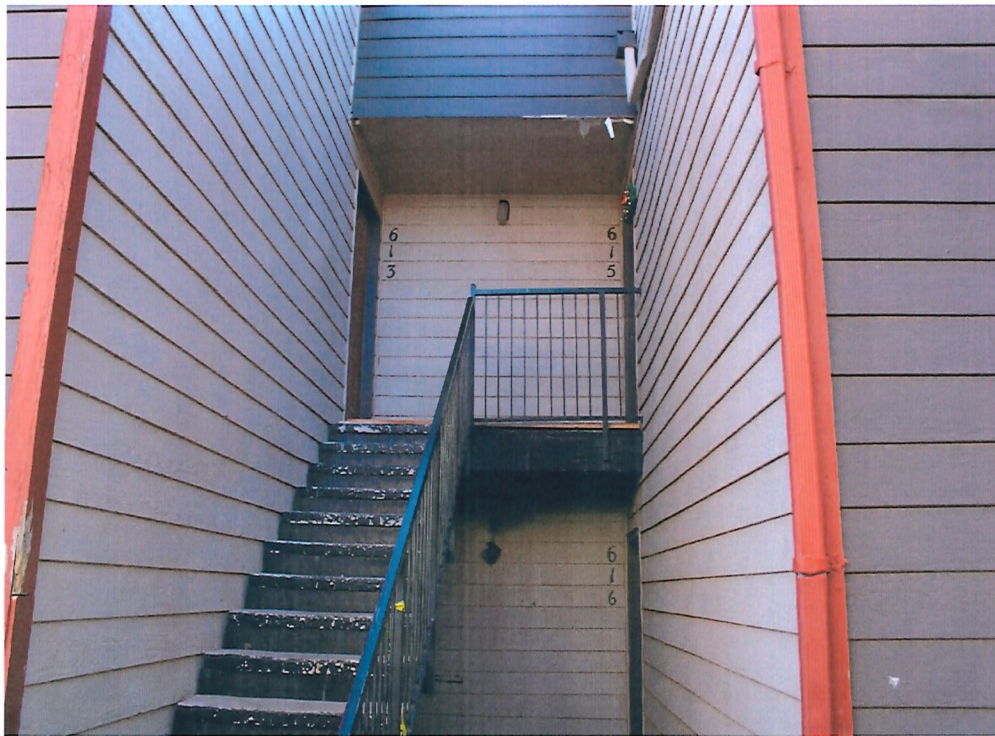
Request to Rescind Condemnations

05/20/2024

1200 E. Broadway (Apts. 613-616) BEFORE



1200 E. Broadway (Apts. 613-616) BEFORE



1200 E. Broadway (Apts. 613-616) AFTER



1200 E. Broadway (Apts. 613-616) AFTER



306 S. McKinley BEFORE



306 S. McKinley AFTER



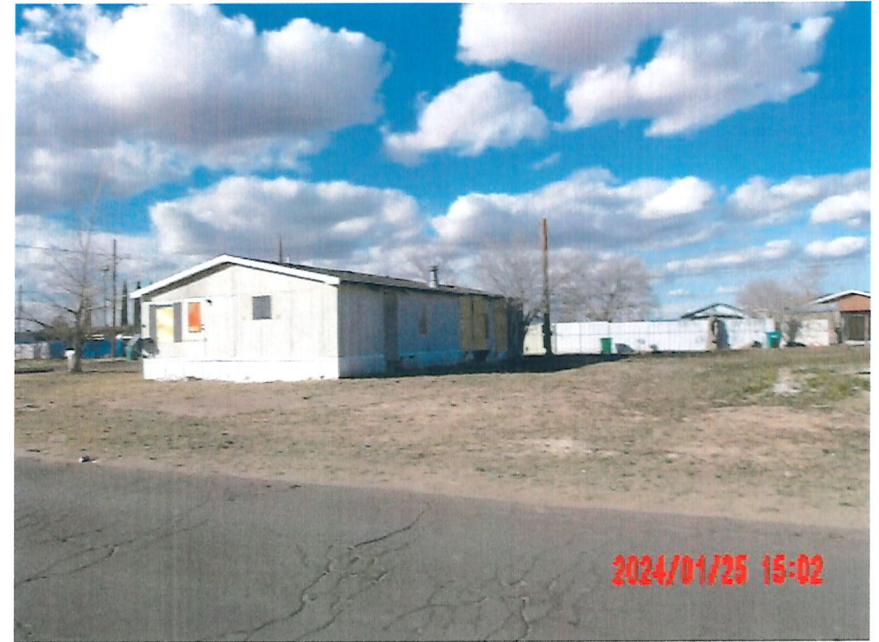
712 S. Selman BEFORE



712 S. Selman AFTER



1110 S. Farquhar BEFORE



1110 S. Farquhar AFTER





CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: MAY 20, 2024

SUBJECT: Consideration of Bid No. 1608-24; Furnish Labor And Parts For Pump Repair
DEPT. OF ORIGIN: Utilities
DATE SUBMITTED: May 1, 2024
SUBMITTED BY: Tim Woomey, Utilities Director

Summary:

Formal bids were opened at 2:00 p.m. on Tuesday, March 14, 2024, to furnish the City of Hobbs with Labor, Equipment, Machine Work, and Parts for the repair, replacement, and installation of pumps and pump motors for the City of Hobbs water production wells and booster pump stations operating within the City's water production system.

One qualified bid was submitted by WHB Pump Sales, LLC.

The amount of the bid, excluding NMGRT, for this Indefinite Quantity Contract is as follows:

<u>BIDDER</u>	<u>LOCATION</u>	<u>BID</u>
WHB Pump Sales, LLC	Lovington, NM	\$ 12,700.00

Fiscal Impact: \$ 150,000.00

Reviewed By: Deborah Corral Digitally signed by Deborah Corral
Date: 2024.05.09 15:49:42 -06'00'
Finance Department

This is an indefinite quantity agreement. Funds for this work are budgeted in the Utilities Water Production Division budget, line item 604620-42523 Reconditioning of Water Production Wells.

Attachments:

Bid No. 1608-24; Furnish Labor And Parts For Pump Repair

Legal Review:

Approved As To Form: Valerie S. Chacon Digitally signed by Valerie S. Chacon
DN: cn=Valerie S. Chacon, o=City of Hobbs, email=valerie.chacon@hobbsnm.org, c=US
Date: 2024.05.13 11:32:48 -06'00'
City Attorney

Recommendation:

Award Bid No. 1608-24; Furnish Labor and Parts for Pump Repair to WHB Pump Sales, LLC of Lovington, NM.

Approved For Submittal By:

Tim Woomey
Department Director

[Signature]
City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

Resolution No. _____ Continued To: _____
Ordinance No. _____ Referred To: _____
Approved _____ Denied _____
Other _____ File No. _____



PROFESSIONAL SERVICES AGREEMENT

THIS CONTRACT is made the ____ day of _____, 2024, by and between the City of Hobbs, New Mexico, a municipal corporation located in Lea County, New Mexico (hereinafter referred to as "City") and WHB Pump Sales, LLC, an independent contractor with a business address of 1308 S Main, Lovington NM 88260 (hereinafter referred to as "Contractor").

This Contract (hereinafter referred to as "Agreement") is a:

- Category 1 Contract:** (\$0 – not to exceed \$20,000.00). Purchasing requires good faith efforts to acquire the materials or services at the best obtainable price.
- Category 2 Contract:** (\$20,000.00 - not to exceed \$75,000.00). Purchasing requires three (3) written quotes turned in to the Central Purchasing Office.
- Category 3 Contract:** (\$75,000.00 and over). Purchasing requires formal sealed bids or competitive sealed proposals through the Central Purchasing Office.
- Professional Services Contract under \$75,000.00.** Purchasing requires the direction of the City Manager.
- Professional Services Contract \$75,000.00 and over.** Purchasing requires the direction of the City Manager with City Commission approval, subject to the competitive sealed proposal requirements.
- Exempt Contract under \$75,000.00.** Purchasing requires the direction of the City Manager.
- Exempt Contract \$75,000.00 and over.** Purchasing requires the direction of the City Manager with City Commission approval.

The parties to this Agreement, in consideration of their mutual promises, agree as follows:

1. SCOPE OF SERVICES

Provide labor, equipment, parts, and machine work for the repair, replacement, reconditioning, and installation of pumps and pump motors for the City of Hobbs water production wells and booster pump stations within the City's system. All work performed shall include and meet all requirements, pricing agreements, and detailed specifications as stated in Exhibit 1, BID 1608-24, and is hereby made a part of this agreement. The work area includes (32) Water Production Wells and (5) Booster Pump Stations and any other pumps and pump motors within the City of Hobbs. Contractor shall comply with all federal and state laws and regulations. Contractor shall follow all safety policies and regulations and utilize all Personal Protective Equipment as adopted by the City of Hobbs.

2. STATUS OF CONTRACTOR

Contractor acknowledges that its relationship with City is that of an "independent contractor." Therefore, Contractor shall not be considered an employee or agent of City, nor shall Contractor be eligible to accrue leave, retirement benefits, insurance benefits, use of City vehicles, or any other benefits provided to City employees. Contractor agrees not to purport to bind City of Hobbs unless the Contractor has express written authority to do so, and then only within the strict limits of that authority. Contractor further acknowledges that no benefits pursuant to the Worker's Compensation Laws of the State of New Mexico are available to them for the services contemplated herein. Contractor shall be responsible for securing all licenses and registrations related to their business prior to commencing any work under this Agreement. Contractor shall be solely responsible for all taxes and related reporting requirements. City shall have no liability for the payment of taxes other than gross receipts taxes to be calculated in Contractor's invoices.

3. CONTRACT TERM AND TERMINATION

This Agreement shall be effective from date of execution (as noted on page 1 of this Agreement) and shall end upon completion of all services contemplated herein and final payment for said services, or one year from the date of execution, whichever occurs first. This Agreement may be renewed for up to three additional one-year terms upon written approval from both City and Contractor prior to the expiration of any one-year term. This Agreement may be terminated by either party, at any time with or without cause, upon a minimum of thirty (30) days' advanced written notice to the other party. Except as otherwise allowed or provided under this Agreement, City's sole liability upon such termination shall be to pay for acceptable work performed prior to Contractor's receipt of the notice of termination, if City is the terminating party, or Contractor's sending of the notice of termination, if Contractor is the terminating party; provided, however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under, or breaches of, this Agreement. Contractor shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination. Furthermore, City reserves the right to immediately cancel this Agreement if Contractor violates any provision specifically outlined in Paragraph 10 of this Agreement.

4. PRICE

City shall pay Contractor a total of \$ Exhibit 1, BID 1608-24 inclusive of New Mexico gross receipts taxes. Contractor shall be responsible for paying all costs associated with performance of duties, including but not limited to, mileage and "wear and tear" of vehicles, and costs of equipment necessary to perform services. Contractor shall submit a monthly invoice for services performed in any given month. Upon receipt of any invoice, City shall render payment for said invoice as soon as practical within fifteen (15) days. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. However, City shall not incur late charges, interest, or penalties for failure to make payment within the time specified herein. Contractor and City shall both be required to keep detailed records regarding the services rendered. In the event City disputes an invoice, Contractor shall provide City with records regarding all services rendered. Contractor shall remit all invoices to ATTN: Brandy Hukins, 200 E. Broadway Street, Hobbs, NM 88240.

Parties agree that the aggregate amount contemplated by this Agreement, including all contemplated gross receipts taxes, shall not exceed \$ Exhibit 1, BID 1608-24. All amounts contemplated herein shall include all necessary labor, equipment, materials and all other costs necessary to complete the project as specified herein. Approval and acceptance of Contractor's satisfactory completion of the project shall be a prerequisite to final payment. Nothing contained in this Agreement shall be construed by Contractor as guaranteeing Contractor any minimum amount of work. Contractor, upon final payment of all amounts due under this Agreement, releases City and its officers and employees from all liabilities, claims and obligations whatsoever arising from or under this Agreement. No guarantee of future contracts will be granted to any Contractor.

The terms of this Agreement are contingent upon sufficient appropriations and authorization being given by the City of Hobbs' City Commissioners for the performance of this Agreement. If sufficient appropriations and authorization are not given by the City of Hobbs' City Commissioners, this Agreement shall terminate immediately upon written notice being given by City to Contractor. City's decision as to whether sufficient appropriations are available shall be accepted by Contractor and shall be final. If City proposes an amendment to this Agreement to unilaterally reduce funding, Contractor shall have the option to terminate this Agreement or in its alternative, to agree to the reduced funding within thirty (30) days of receipt of the proposed amendment.

5. INSURANCE REQUIREMENTS

Contractor shall maintain insurance coverage through the duration of this Agreement. Contractor shall provide City with a certificate of insurance coverage for General Liability (GL) in a minimum amount of \$ 1,000,000.00 per occurrence, and naming City as an additional insured. The insurance required herein shall be primary and shall be attached hereto as "Exhibit A."

6. INDEMNITY AND HOLD HARMLESS

Contractor shall indemnify, defend and hold City, the City Commission of the City of Hobbs, its individual commissioners, its officers, employees and agents, past or present, harmless from any and all causes of action, suits, claims, judgments, losses, costs, expenses, and liens of every kind and nature, including, but not limited to court costs and attorney's fees, arising or alleged to have arisen due to negligence of Contractor, or any employees working under Contractor, while engaged in the performance of this Agreement, or for Contractor's failure to render services, or any breach of this Agreement. Indemnification shall survive the expiration of this Agreement.

City shall not be liable to Contractor, or Contractor's successors, heirs, agents, administrators, or assigns, for any loss, damage, or injury, whether to Contractor's person or property, occurring in connection with Contractor's performance of Contractor's duties according to this Agreement. Contractor shall hold City harmless from all loss, damage, and injury, including court costs and attorney fees, incurred by City in connection with the performance by Contractor of Contractor's duties according to this Agreement.

7. FACILITY AND EQUIPMENT—SAFETY

Contractor shall report any unsafe conditions prior to the commencement of any activity. Commencement of activity by the Contractor constitutes agreement as to the safety of the premises. Contractor is responsible for supervision of all participants so as to conduct the services in a safe and orderly manner. Contractor shall be solely responsible for the safety of any of their employees, affiliates, associates, or subcontractors. City is not required to provide storage for Contractor's equipment or materials.

8. BACKGROUND CHECK

Contractor is subject to a background check prior to providing services. By signing this Agreement, the Contractor is certifying that they have reviewed criminal background histories of each and every employee, assistant and/or agent working for Contractor. Contractor further certifies that no person with a history of sexual or violent offenses is in Contractor's employ in any fashion. Employees, assistants and/or agents who are minors (under 18 years old) shall be supervised by an adult in Contractor's employ at all times.

9. DRUG-FREE WORKPLACE

City seeks to provide a safe and productive work environment that is free from impaired performance caused by the use of alcohol, controlled substances, and/or medications. The Contractor agrees to maintain such an environment.

10. RULES, REGULATIONS, AND CARE

Contractor shall treat all individuals and City employees with respect and will not subject anyone to discrimination or harassment because of the person's race, color, sexual orientation, national origin, age, religion, gender, gender identity, or disability. Contractor shall use all reasonable care so as to not damage, or authorize any other person/entity, to damage the property of City. In the event that any City-owned property, whatsoever, is damaged or destroyed due to the negligence or acts of omissions of the Contractor, or any agent of Contractor, Contractor shall replace or repair the damage at no cost to City. City shall determine the existence of any damage and provide Contractor with an estimate of repair or replacement costs. Damage shall be repaired or replaced by Contractor to the reasonable satisfaction of City within thirty (30) days of receipt of written notification from City. If Contractor fails or refuses to make such repair or replacement, the Contractor shall be liable for the cost, which may be deducted from payments provided for in this Agreement. City reserves the right to immediately cancel the Agreement if the Contractor violates any provision herein.

11. NOTICE

All notices given pursuant to or in connection with this Agreement shall be made in writing and posted by regular mail, postage prepaid, to City, ATTN: Tim Woomeer, City Hall, 200 E. Broadway Street, Hobbs, NM 88240 and to Contractor at 3805 S. Main, Lovington NM 88260 or to such other address as requested in writing by either party. Notice shall be deemed to be received on the fifth day following posting.

12. CONFLICT OF INTEREST AND GOVERNMENTAL CONDUCT ACT

A. Contractor represents and warrants that it presently has no interest and, during the term of this Agreement, shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the Agreement.

B. Contractor further represents and warrants that it has complied with, and, during the term of this Agreement, will continue to comply with, and that this Agreement complies with all applicable provisions of the Governmental Conduct Act, Chapter 10, Article 16 NMSA 1978. Without in anyway limiting the generality of the foregoing, the Contractor specifically represents and warrants that:

1) in accordance with NMSA 1978, Section 10-16-4.3, Contractor does not employ, has not employed, and will not employ during the term of this Agreement any City employee while such employee was or is employed by City and participating directly or indirectly in City's contracting process;

2) this Agreement complies with NMSA 1978, Section 10-16-7(B), because (i) Contractor is not a public officer or employee of City; (ii) Contractor is not a member of the family of a public officer or employee of City; (iii) Contractor is not a business in which a public officer or employee or the family of a public officer or employee has a substantial interest; or (iv) if Contractor is a public officer or employee of City, a member of the family of a public officer or employee of City, or a business in which a public officer or employee of City or the family of a public officer or employee of City has a substantial interest, public notice was given as required by NMSA 1978, Section 10-16-7(B), and this Agreement was awarded pursuant to a competitive process;

3) in accordance with NMSA 1978, Section 10-16-8(C), (i) Contractor is not, and has not been represented by, a person who has been a public officer or employee of City within the preceding year and whose official act directly resulted in this Agreement and (ii) Contractor is not, and has not been assisted in any way regarding this transaction by, a former public officer or employee of City whose official act, while in City employment, directly resulted in City making this Agreement;

4) in accordance with NMSA 1978, Section 10-16-13, Contractor has not directly participated in the preparation of specifications, qualifications or evaluation criteria for this Agreement or any procurement related to this Agreement; and

5) in accordance with NMSA 1978, Section 10-16-3 and Section 10-16-13.3, Contractor has not contributed, and during the term of this Agreement shall not contribute, anything of value to a public officer or employee of City.

C. Contractor's representations and warranties in Paragraphs A and B of this Section 12 are material representations of fact upon which City relied when this Agreement was entered into by the parties. Contractor shall provide immediate written notice to City if, at any time during the term of this Agreement, Contractor learns that Contractor's representations and warranties in Paragraphs A and B of this Section 12 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances. If it is later determined that Contractor's representations and warranties in Paragraphs A and B of this Section 12 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances, in addition to other remedies available to City and notwithstanding anything in the Agreement to the contrary, City may immediately terminate the Agreement.

D. All terms defined in the Governmental Conduct Act have the same meaning in Section 12(B).

13. MISCELLANEOUS PROVISIONS

Contractor shall not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement without the prior written approval of City.

Contractor shall not subcontract any portion of the services to be performed under this Agreement without the prior written approval of City. No such subcontract shall relieve the primary Contractor from its obligations and liabilities under this Agreement, nor shall any subcontract obligate direct payment from City. In all cases, Contractor is solely responsible for fulfillment of this Agreement. Duly authorized representatives for City shall have the right to direct and inspect the work under this Agreement.

If any part of this Agreement is found to be in violation of the laws or Constitution of New Mexico, only such part thereof shall be thereby invalidated, and all other parts of this Agreement shall remain valid and enforceable.

This Agreement is governed by the laws of the State of New Mexico and will bind and inure to the benefit of City and Contractor, their respective successors and assigns. In the event that Contractor defaults on any term of this Agreement, after reasonable attempts to cure said default, City retains the right to declare this Agreement void. In the event that this Agreement is declared void, neither party shall be obligated to perform further under this Agreement. Jurisdiction and venue relating to any litigation or dispute arising out of this Agreement shall be in the District Court of Lea County, New Mexico, only. Contractor agrees to pay City reasonable costs, including court fees and reasonable attorney's fees, incurred by City in the enforcement of this Agreement, even though City may employ in-house legal counsel.

A party shall be excused from performance under this agreement for any period that the party is directly prevented from performing as a result of an act of God, strike, war, civil disturbance, epidemic, or court order, provided that the party has prudently and promptly acted to take any and all steps that are within the party's control to ensure performance. Subject to this provision, such non-performance shall not be deemed a default or a ground for termination.

In the event that Contractor desires to cancel the scheduled services for any reason, Contractor is responsible for the following:

Contacting City via telephone at 575-397-9315 ; and
Contacting City via e-mail at twoomer@hobbsnm.org .

Any change orders shall be in writing and signed by the parties specifically enumerating the additional work to be performed, change in scope, and/or the cost therein. A party's failure to require strict performance of any provision of this Agreement shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this Agreement shall be effective unless express and in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights but the ones delineated in said effective waiver.

If Contractor is other than a natural person, the individual(s) signing this Agreement on behalf of Contractor represents and warrants that they have the legal power and authority to bind Contractor, and that no further action, resolution, or approval from Contractor is necessary to enter into a binding contract.

This Agreement incorporates all of the agreements, covenants and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, agreements and understandings have been merged into this written Agreement. No prior agreement or understanding, oral or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

The foregoing constitutes the entire Agreement between the parties. This Agreement may only be modified through a written amendment signed by both parties.

[Required Signatures on Next Page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written on the first page of this Agreement.

THE CITY OF HOBBS, NEW MEXICO

Department Head Approval:



Contractor Approval:

Contractor Signature

Account No.: 60-4620-42523

Finance Director:

Finance Director

City Attorney "as to form" Approval:

City Attorney

City Manager Approval:

City Manager

City Clerk Approval:

City Clerk (Professional Service
Contracts over \$75,000)

City Clerk

Mayor Approval:

(Professional Service Contracts over
\$75,000)

Mayor

EXHIBIT I

INVITATION TO BID/PRICE AGREEMENT

BID NO. 1608-24

FURNISH LABOR AND PARTS FOR PUMP REPAIR

City of Hobbs, New Mexico

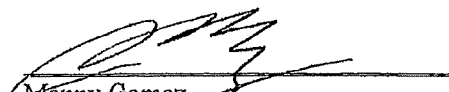
Sealed bids will be received by the City of Hobbs, New Mexico, at the office of the Finance Director in City Hall, 200 E Broadway, Hobbs, New Mexico 88240 until 2:00 p.m., Thursday, March 14, 2024, to FURNISH LABOR AND PARTS FOR PUMP REPAIR as specified.

At the above time, bids will be publicly opened in the Conference Room of the Finance Department on the second floor of City Hall and read aloud. Any bid received after the stated time will be returned unopened.

Copies of the specifications may be procured without charge from the office of the City Finance Director. If there are any questions regarding this bid contact Brandy Hukins at (575) 397-9244 or bhukins@hobbsnm.org.

In case of ambiguity or lack of clearness in stating proposal prices the City of Hobbs, New Mexico, reserves the right to adopt the most advantageous thereof, or to reject any or all bids and waive irregularities.

CITY OF HOBBS, NEW MEXICO


Manny Gomez
City Manager

Publication Date: February 29, 2024

INSTRUCTIONS TO BIDDERS

I. SUBMITTING BIDS

- A. Sealed bids will be received by the Finance Department, in accordance with the Bid Advertisement. Bidders shall use the bid form included with the specifications. Bid forms must bear the signature of the bidder to be considered. Pursuant to NMSA 1978, § 13-1-191.1 (2006), bidders shall complete the attached Campaign Contribution Disclosure form. Failure of bidders to complete bidding documents in accordance with all instructions provided is cause for the City of Hobbs to reject bids.
- B. Bids must be submitted in a sealed envelope with the outside marked: INVITATION NO. 1608-24, FURNISH LABOR AND PARTS FOR PUMP REPAIR.
- C. All bids shall be net. Do not include any taxes from which municipalities are exempt. Tax exemption certificates will be furnished, if needed.
- D. Resident/ Veterans preference - pursuant to sections 13-1-21 & 13-4-2 NMSA 1978, bidders claiming 5% or 10% preference must be certified prior to bid opening. Bidder's preference will be taken into consideration, only if the preference number is stated on the bid form on page 8.
- E. It is the bidder's responsibility to deliver his bid to the proper place and at the time designated. The fact that a bid was dispatched will not be considered. The time of bid opening is determined by the clock in the City of Hobbs Finance Department.
- F. Brand name and numbers are for reference only, equivalents will be considered. If bidding "Equivalent," Bidders must be prepared to furnish "Complete Data" upon request, preferably with bid to avoid delay in award.
- G. Specifications
1. Specifications on the bid are not meant to exclude any bidder or manufacturer. Where a brand name or equal is indicated, it is for the purpose of describing the standard of quality, performance and characteristics desired and is not intended to restrict competition.
 2. Exceptions and/or alternatives to specifications and conditions of this bid shall be listed on a separate sheet of paper and attached to the bid. This sheet shall be labeled "Exceptions and/or Alternatives to Specifications and Conditions", and illustrative brochures and specifications shall be included. After examination and comparison of the specifications, the City of Hobbs reserves the right to reject any or all bids.

3. If any bidder is of the opinion that the specifications as written preclude him from submitting a bid, it is requested that his opinion be made known to the City of Hobbs, in writing, AT LEAST FIVE (5) DAYS PRIOR to the bid opening date.
- H. USER AGENCY CONTRACT - Prospective bidders are encouraged to visit the work site to evaluate the scope of work and discuss the project with on-site staff. Contact the Water Production Supervisor by email cmaynard@hobbsnm.org for an appointment.
- I. NON-COLLUSION: In signing this bid, the Vendor certifies he/she has not, either directly or indirectly, entered into action in restraint of free competitive bidding in connection with this proposal submitted to the City of Hobbs.
- J. NON-DISCRIMINATION: Vendors doing business with the City of Hobbs must be in compliance with the Federal Civil Rights Act of 1964 and Title VII of the Act (Rev.1979), and the Americans with Disabilities Act of 1990, (Public Law 101-336)
- K. DEFAULT: The city reserves the right to cancel all or any part of this bid without cost to the City, if the Vendor fails to meet the provisions of this bid and, except as otherwise provided herein, to hold the Vendor liable for any excess cost occasioned by the City due to the Vendor's default. The Vendor shall not be liable for any excess cost if failure to perform the order arises out of causes beyond the control and without the fault or negligence of the vendor, such causes include, but are not restricted to, acts of God or the public enemy, acts of the State or Federal Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather and defaults of subcontractors due to any of the above, unless the City shall determine that the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Vendor to meet the required scheduled delivery. The rights and remedies of the City provided in this paragraph shall not be exclusive and are in addition to any other rights not being provided by law or under this order.

II. TERM OF PRICE AGREEMENT

- A. The City of Hobbs is asking for an "Indefinite Quantity Contract". The term of this agreement for issuance of purchase orders shall be for one (1) year from the date of written notification of award of bid, with option to extend the contract an additional three (3) years one year at a time if mutually agreeable with the City of Hobbs and the vendor, in accordance with the Attorney General ruling. The City of Hobbs reserves the right to purchase more or less than the estimated quantities at the proposed price.

III. SERVICES

- A. WARRANTY: The vendor agrees that the supplies or services furnished under this bid shall be covered by the most favorable commercial warranties the vendor gives to any

customer for such supplies or services, and that the rights and remedies provided herein shall extend to the City and are in addition to and do not limit any rights afforded to the City by any other clause of this bid. Vendor agrees to honor manufacturer's warranty.

- B. MANUALS: The operator's manual, parts catalog, and technical manual shall be provided with each unit at the time of delivery. Manuals shall cover in detail, maintenance, operation, replacement parts and technical data to repair the equipment specified. Pump curves shall be provided for all pumps provided upon delivery.
- C. The unit offered under this bid shall be new, standard production model of the latest design in current production.

IV. AWARD OF CONTRACT

- A. The City Commission of the City of Hobbs, New Mexico, reserves the right to waive irregularities in bids, and to reject any or all bids or portions thereof. They may award to the bidder whose bid is deemed to be in the best interest of the City of Hobbs.
- B. All bids shall remain open for sixty (60) days after the day of the bid opening.
- C. Alternate bids will be considered only if the bidder is successful on the base bid. Offers with two base bids will be disqualified. Base bid must be identified as prime bid.
- D. To preclude possible errors and/or misinterpretations, bid prices must be affixed legibly in ink, or typewritten. Corrections or changes must be signed or initialed by bidder prior to scheduled bid opening. Failure to do so will be just cause for rejection of bid.
- E. Bids may be withdrawn upon receipt of written request prior to scheduled bid opening for the purpose of making any corrections and/or changes. Such corrections must be properly identified and signed or initialed by bidder. Resubmitting must be prior to scheduled bid opening for consideration.
- F. After bid opening, no modifications on bid prices or other provisions of bids shall be permitted. A low bidder alleging a material mistake of fact, after bids have been opened, may be permitted to withdraw the bid upon written request prior to award at the discretion of the Finance Director.
- G. This bid will be awarded on hourly rate and percentage off parts price list. Prices must be firm for each annual contract period. Notice of proposed price changes, including new parts price list, must be submitted sixty days prior to renewal date for consideration. Approval is not automatic. Request must be submitted in writing to the City of Hobbs Finance Department.
- H. This bid will be awarded on a Total Bid basis.

- I. This indefinite quantity price agreement may be terminated by and at the will of either party for any reason upon sixty (60) days prior written notice delivered or mailed by certified mail, return receipt requested, to the other party. Additionally, City may give notice at any time for cause, including, but not limited to, unsatisfactory performance of duties or for any other good cause shown.

IV. DELIVERY

- A. F.O.B. Destination - Means goods are to be delivered to the destination designated by the user, which is the point at which the user accepts ownership or title to the goods. Any exception to F.O.B. Destination may cause a bid to be declared non-responsive.

F.O.B. - Job-Site HOBBS, NEW MEXICO 88240

V. PAYMENT

- A. The City of Hobbs requests one invoice following delivery of each order. Payment will be made within fifteen (15) days of acceptance of the equipment by the Utilities Department upon certification that all contract terms have been met.

NOTE: After an examination of needed repairs to City pumps the City of Hobbs shall have the opportunity and option to select repair or purchase of a replacement pump, whichever is in the best interest of the City. The bidder will be allowed reasonable charges for examination of the pump at the same rate as outlined in the bid.

VI. INSURANCE

- A. The successful bidder shall obtain, and provide proof thereof, to the City the following insurance coverage:

General Liability as follows: Premises, operations, explosions and collapse hazard, underground hazard, contractual insurance, products with completed operations, broad form property damage, independent contractors and personal injury. The limits of liability shall be no less than \$1,000,000 combined single limits for bodily injury and property damage.

Automobile Liability as follows: Owned, hired and non-owned vehicles. The limits of liability shall be no less than \$1,000,000 combined single limit bodily injury and property damage.

The City of Hobbs shall be named as an additional insured.

BID NO.1608-24

Workers' Compensation is required along with State statutory employer's liability limits regardless of number of employees.

DETAILED SPECIFICATIONS

The City of Hobbs is asking for an HOURLY RATE BID on labor. Parts shall be catalog or price list, good for the term of the contract. Catalog or price list must be furnished to the City for evaluation purposes.

- 1.0 GENERAL: The City of Hobbs is asking for quotes to repair and recondition an indefinite number of wells and any related pumps and pump motors within the City's system. All motors, repaired or new, shall be delivered with all associated OEM documentation. All pumps repaired or new shall be delivered with all associated OEM documentation, including pump curves.
- 2.0 LABOR: A. Cost per hour to remove, repair and install pumps and pump motors.
B. Machine work, if required.
C. Replacement of any of the following or others if necessary, subject to prior approval of the Utilities Director Department or his designee.

All parts must conform to current ASTM and AWWA standards.

1. Column Pipe.
 2. Head Shaft.
 3. Line Shaft Water Tube.
 4. Bearing Retainer.
 5. Rubber Line Shaft Bearings.
 6. Shaft Couplings.
 7. Airline.
 8. Bowls.
 9. Color Video tape wells
 10. Sonic testing
 11. Any necessary parts or labor not listed above shall be included in this bid.
- 3.0 Experience: Bidder shall have a minimum of 10 years of experience in the repair and maintenance of municipal water wells and turbine pumps. Proof of experience may be requested.

BID NO.1608-24

EXCEPTIONS TO SPECIFICATIONS

Exceptions and/or Alternatives to Specifications and Conditions

INVITATION TO BID/PRICE AGREEMENT
FURNISH LABOR AND PARTS FOR PUMP REPAIR

TO: The City of Hobbs, New Mexico

March 1 2024 ~~2024~~

Bid of WHB Pump Sales LLC
(Company Name)

A) A Corporation under the laws of the State of _____; or

B) A partnership consisting of _____; or

C) An individual trading as New Mexico

The undersigned bidder, pursuant to the foregoing "Notice to Bidders", has carefully examined the instructions to Bidders, this bid form and the Detailed Specifications.

Resident Preference
Certification Number

Company Name WHB Pump Sales LLC

BY: David L Munoz

Type or Print Name

Veterans Preference

P.O. Box 1098 - 3805 S. Main

Address

575.390-3761
Telephone Number

Lovington NM 88260
City State Zip

NOTE: To be valid, bid must be signed. The signature of a corporation is its president, or an authorized representative. A signature of a partnership must be a valid partner or authorized representative.

Do Not Return Invitation to Bid Form in Case of a "NO BID"

If applicable - bidder acknowledges receipt of the following AMENDMENT(S):

Amendment No.: _____ Dated: _____ Amendment No.: _____ Date:

Amendment No.: _____ Dated: _____ Amendment No.: _____ Date:

INVITATION TO BID/PRICE AGREEMENT
FURNISH LABOR AND PARTS FOR PUMP REPAIR

EACH BIDDER COMPLETE THE FOLLOWING STATEMENT:

Bid of WKB Pumps Sales LLC proposes to furnish the following.
 Company Name

Recommended delivery time 7 days days after notification of award

Vendor delivery time 10 days after notification of award

ITEM NO.	Est. Hours	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1	60 hours	REPAIR LABOR PER HOUR	\$ 150. ⁰⁰	\$ 9,000
2	20 hours	LABOR TO REPAIR BOWL ASSEMBLY	\$ 75. ⁰⁰	\$ 1,500
3	20 hours	MACHINE WORK PER HOUR	\$ 110. ⁰⁰	\$ 2,200
TOTAL BID			\$ 12,700. ⁰⁰	

***** 3 TOTAL ITEM(S) *****

A PRICE LIST MUST BE ATTACHED TO THE BID

INDICATE DISCOUNT OFF OF PARTS PRICE LIST: 10% off Catalog Price

INDICATE NUMBER OF YEARS EXPERIENCE: 40+

CAMPAIGN CONTRIBUTION DISCLOSURE FORM

Pursuant to NMSA 1978, § 13-1-191.1 (2006), any person seeking to enter into a contract with any state agency or local public body for professional services, a design and build project delivery system, or the design and installation of measures the primary purpose of which is to conserve natural resources must file this form with that state agency or local public body. This form must be filed even if the contract qualifies as a small purchase or a sole source contract. The prospective contractor must disclose whether they, a family member or a representative of the prospective contractor has made a campaign contribution to an applicable public official of the state or a local public body during the two years prior to the date on which the contractor submits a proposal or, in the case of a sole source or small purchase contract, the two years prior to the date the contractor signs the contract, if the aggregate total of contributions given by the prospective contractor, a family member or a representative of the prospective contractor to the public official exceeds two hundred and fifty dollars (\$250) over the two year period.

Furthermore, the state agency or local public body shall void an executed contract or cancel a solicitation or proposed award for a proposed contract if: 1) a prospective contractor, a family member of the prospective contractor, or a representative of the prospective contractor gives a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process or 2) a prospective contractor fails to submit a fully completed disclosure statement pursuant to the law.

THIS FORM MUST BE FILED BY ANY PROSPECTIVE CONTRACTOR WHETHER OR NOT THEY, THEIR FAMILY MEMBER, OR THEIR REPRESENTATIVE HAS MADE ANY CONTRIBUTIONS SUBJECT TO DISCLOSURE.

The following definitions apply:

"Applicable public official" means a person elected to an office or a person appointed to complete a term of an elected office, who has the authority to award or influence the award of the contract for which the prospective contractor is submitting a competitive sealed proposal or who has the authority to negotiate a sole source or small purchase contract that may be awarded without submission of a sealed competitive proposal.

"Campaign Contribution" means a gift, subscription, loan, advance or deposit of money or other thing of value, including the estimated value of an in-kind contribution, that is made to or received by an applicable public official or any person authorized to raise, collect or expend contributions on that official's behalf for the purpose of electing the official to either statewide or local office. "Campaign Contribution" includes the payment of a debt incurred in an election campaign, but does not include the value of services provided without compensation or unreimbursed travel or other personal expenses of individuals who volunteer a portion or all of their time on behalf of a candidate or political

committee, nor does it include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee.

"Family member" means spouse, father, mother, child, father-in-law, mother-in-law, daughter-in-law or son-in-law.

"Pendency of the procurement process" means the time period commencing with the public notice of the request for proposals and ending with the award of the contract or the cancellation of the request for proposals.

"Person" means any corporation, partnership, individual, joint venture, association or any other private legal entity.

"Prospective contractor" means a person who is subject to the competitive sealed proposal process set forth in the Procurement Code or is not required to submit a competitive sealed proposal because that person qualifies for a sole source or a small purchase contract.

"Representative of a prospective contractor" means an officer or director of a corporation, a member or manager of a limited liability corporation, a partner of a partnership or a trustee of a trust of the prospective contractor.

DISCLOSURE OF CONTRIBUTIONS:

Contribution Made By: _____
Relation to Prospective Contractor: N/A
Name of Applicable Public Official: _____
Date(s) Contribution(s) Made: _____
Amount(s) of Contribution(s) _____
Nature of Contribution(s) _____
Purpose of Contribution(s) _____

(Attach extra pages if necessary)

DM
David M...
Signature

PM
3-1-24
Date

BID NO.1608-24

owner
Title (position)

--OR--

NO CONTRIBUTIONS IN THE AGGREGATE TOTAL OVER TWO HUNDRED FIFTY DOLLARS (\$250) WERE MADE to an applicable public official by me, a family member or representative.

David Murray
Signature

3-1-24
Date

owner
Title (Position)

Resident Veterans Preference Certification

N/A (NAME OF CONTRACTOR) hereby certifies the following in regard to application of the resident veterans' preference to this procurement:
Please check one box only:

- I declare under penalty of perjury that my business' prior year revenue starting January 1st ending December 31st is less than \$1 million allowing me the 10% preference discount on this solicitation. I understand that knowingly giving false or misleading information about this fact constitutes a crime.
- I declare under penalty of perjury that my business' prior year revenue starting January 1st ending December 31st is more than \$1 million but less than \$5 million allowing me the 8% preference discount on this bid or proposal. I understand that knowingly giving false or misleading information about this fact constitutes a crime.
- I declare under penalty of perjury that my business prior year revenue starting January 1st ending December 31st is more than \$5 million allowing me the 7% preference discount on this bid or proposal. I understand that knowingly giving false or misleading information about this fact constitutes a crime.

I agree to submit a report, or reports, to the State Purchasing Division of the General Services Department declaring under penalty of perjury that during the last calendar year starting January 1st and ending on December 31st, the following to be true and accurate.
In conjunction with this procurement and the requirements of this business application for a Resident Veteran Business Preference/Resident Veteran Contractor Preference under Sections 13-1-21 or 13-1-22 NMSA 1978, when awarded a contract which was on the basis of having such veteran's preference, I agree to report to the State Purchasing Division of the General Services Department the awarded amount involved. I will indicate in the report the award amount as a purchase from a public body or as a public works contract from a public body as the case may be. I understand that knowingly giving false or misleading information on this report constitutes a crime.

I declare under penalty of perjury that this statement is true to the best of my knowledge. I understand that giving false or misleading statements about material fact regarding this matter constitutes a crime.

Signature of Business Representative*

Date

*Must be an authorized signatory for the Business.

BID NO.1608-24

The representations made in checking the boxes constitutes a material representation by the business that is subject to protest and may result in denial of an award or award withdrawal of the procurement involved if the statements are proven to be incorrect.

NON-COLLUSION AFFIDAVIT

STATE OF New Mexico

City OF Lea

David L Munoz (name) being first duly sworn, deposes and

says that he/she is (title) Owner/Manager

of (organization) WHB Pump Sales LLC

who submits herewith to the City of Hobbs, a bid/proposal:

That all statements of fact in such bid/proposal are true:

That said proposal/bid was not made in the interest of or on behalf of any undisclosed person, partnership, company, association, organization or corporation;

That said proposer/bidder has not, directly or indirectly by agreement, communication or conference with anyone attempted to induce action prejudicial to the interest of the City of Hobbs, or of any proposer/bidder of anyone else interested in the proposed contract; and further,

That prior to the public opening and reading of bid/proposal, said bidder/proposer;

1. Did not directly or indirectly, induce or solicit anyone else to submit a false or sham proposal
2. Did not directly or indirectly collude, conspire, connive or agree with anyone else that said bidder or anyone else would submit a false or sham proposal, or that anyone should refrain from bidding or withdraw his/her proposals;
3. Did not in any manner, directly or indirectly, seek by agreement, communication or conference with anyone to raise or fix the proposal price of said bidder or of anyone else, or to raise or fix any overhead, profit or cost element of their proposal price, or of that of anyone else;
4. Did not directly or indirectly, submit his proposed price or any breakdown thereof, or the contest thereof, or divulge information or data relative thereto, to any corporation, partnership, company, association organization, bid depository or to any member or agent thereof, or to any individual group of individuals, except that City of Hobbs, or to any person or persons who have a partnership or other financial interests with said proposer/bidder in his/her business.

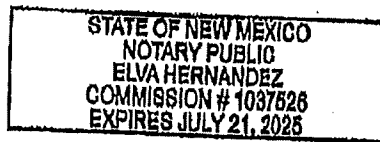
By: X David L Munoz

Title: Owner

SUBSCRIBED and sworn to before me this 5th day of March, 2024

Notary Public: Elva Hernandez

My Commission Expires:
July 21 2025



RELATED PARTY DISCLOSURE FORM

(Bidders and Proposers only)

1. Are you indebted to or have a receivable from any member of the City of Hobbs Commissioners, administration officials, department heads, and key management supervisors with the City of Hobbs?

YES ___ NO

2. Are you, or any officer of your company related to any member of the City of Hobbs Commissioners, administration officials, department heads, key management supervisors of the City of Hobbs and have you had any of the following transactions since January 1, 2017 to which City of Hobbs was, is to be, a party?

Sales, Purchase or leasing of property? YES ___ NO
Receiving, furnishing of goods, services or facilities? YES ___ NO
Commissions or royalty payments? YES ___ NO

3. Does any member of the City Commission; administration officials, department heads, key management supervisors with the City of Hobbs, have any financial interest in your company whether a sole proprietorship, partnership, or corporation of any kind that currently conducts business with the City of Hobbs?

YES ___ NO

4. At any time from January 1, 2017 through the present, did you, your company, or any officer of your company have an interest in or signature authority over a bank account for the benefit of a member of the City Commission administration officials/department heads, key management supervisors with the City of Hobbs?

YES ___ NO

5. Are you negotiating to employ or do you currently employ any employee, officer, or family member of an employee or officer for the City of Hobbs? *N/A*

6. Are you an employee of the City of Hobbs or a member of your family an employee of the City of Hobbs?

YES ___ NO

The answers to the foregoing questions are correctly stated to the best of my knowledge and belief.

Signature of Owner or Company President *David L. Munoz* Date *3-5-24*

(Print Name and Title): David L. Munoz



**City of Hobbs
Certification Regarding Debarment, Suspension, Ineligibility and**

The Bidder/Proposer certifies, by submission of this bid/proposal, neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this submission of bid/proposal by any Federal, State or Local government. It further agrees by submitting this bid/proposal that it will include this clause without modification in all lower tier transactions, solicitations, proposals, contracts and subcontracts. Where the bidder/proposer or any lower tier participant is unable to certify to this statement, it shall attach an explanation to this bid/proposal submission.

Failure to acknowledge the above conditions would render the Bid/Proposal non-responsive.

I acknowledge the above conditions:

Company Name WHPumpSales LLC

Signature David Munoz

Print Name David L Munoz