

Commission Meeting Agenda



Mayor

Samuel D. Cobb

City Commission

Marshall R. Newman

Cynthia D. Calderon

Patricia A. Taylor

Joseph D. Calderón

Garry A. Buie

Don R. Gerth

City Manager

J. J. Murphy

April 17, 2017



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

Monday, April 17, 2017 - 6:00 p.m.

Sam D. Cobb, Mayor

Marshall R. Newman
Commissioner - District 1

Cynthia D. Calderon
Commissioner - District 2

Patricia A. Taylor
Commissioner - District 3

Joseph D. Calderón
Commissioner - District 4

Garry A. Buie
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 April 3, 2017, Regular Commission Meeting

PROCLAMATIONS AND AWARDS OF MERIT

2. Presentation of the Library Patrons of the Year Award to Necia Asbill and Sidney Bishop (*Sandy Farrell, J. J. Murphy*)

PUBLIC COMMENTS (*For non-agenda items.*)

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.)*

None

DISCUSSION

None

ACTION ITEMS (Ordinances, Resolutions, Public Hearings)

3. Consideration of Approval of Bid No. 1556-17 for Janitorial Services for the City of Hobbs and Recommendation to Accept Bid from Kleen-Tech Services Corp. in the Amount of \$169,572.00 *(Ronny Choate)*
4. Consideration of Approval of a Work Order to Ramirez & Sons Under the Annual Paving Agreement for Intersection Improvements at Calle Sur and Joe Harvey Blvd. in the Amount of \$83,346.67 *(Ronny Choate)*
5. Resolution No. 6536 - Approving the New Mexico State Fire Protection Fund Application for FY 18 *(Fire Chief Manny Gomez)*
6. Resolution No. 6537 - Consideration of an Appeal by the Hawkins Companies to a Decision of the City of Hobbs' Planning Board Regarding a Front Yard Setback Variance for a Proposed Structure to be Located North of Holiday Inn Express at 4000 North Lovington Highway *(Kevin Robinson)*
7. Consideration of Approval of an Amended and Restated Joint Powers Agreement with the Lea County Communications Authority for Consolidated Emergency Communications in Lea County *(Police Chief Chris McCall)*
8. **FINAL ADOPTION:** Ordinance No. 1101 - Repealing Chapter 3.20 of the Hobbs Municipal Code and Enacting a New Chapter 3.20 Establishing a Revised City Procurement Policy *(Toby Spears)*
9. Resolution No. 6538 - Authorizing an Allocation of Lodgers' Tax Funds to Fund Various Annual Events for FY 2018 *(Toby Spears)*
10. Resolution No. 6539 - Adopting Budgetary Adjustment #6 for FY 16-17 *(Toby Spears)*

COMMENTS BY CITY COMMISSIONERS, CITY MANAGER

11. Next Meeting Date:

- ▶ Regular Meeting - ***Monday, May 1, 2017***, at 6:00 p.m.

ADJOURNMENT

If you are an individual with a disability who is in need of 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) 397-9207 at least 72 hours prior to the meeting or as soon as possible.



CITY OF HOBBS

COMMISSION STAFF SUMMARY FORM

MEETING DATE: April 3, 2017

SUBJECT: City Commission Meeting Minutes

DEPT. OF ORIGIN: City Clerk's Office
DATE SUBMITTED: April 7, 2017
SUBMITTED BY: Jan Fletcher, City Clerk

Summary:

The following minutes are submitted for approval:

- ▶ Regular Commission Meeting of April 3, 2017

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. _____
Ordinance No. _____
Approved _____
Other _____

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

Minutes of the regular meeting of the Hobbs City Commission held on Monday, April 3, 2017, in the City Commission Chamber, 200 East Broadway, 1st Floor Annex, Hobbs, New Mexico.

Call to Order and Roll Call

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

Mayor Sam D. Cobb
Commissioner Cynthia Calderon
Commissioner Patricia A. Taylor
Commissioner Joseph D. Calderón
Commissioner Garry A. Buie
Commissioner Don Gerth

Absent: Commissioner Marshall R. Newman

Also present: Mike Stone, City Attorney
Efren Cortez, Assistant City Attorney
Chris McCall, Police Chief
Charles Cunningham, Police Captain
Manny Gomez, Fire Chief
Barry Young, Deputy Fire Chief
Max Brown, Battalion Chief
Raymond Bonilla, Community Services Director
Todd Randall, City Engineer
Kevin Robinson, Development Coordinator
Ronny Choate, General Services Director
Tim Woomer, Utilities Director
Toby Spears, Finance Director
Nicholas Goulet, Human Resources Director
Karen Nevarez, Assistant Human Resources Director
Ron Roberts, Information Technology Director
Doug McDaniel, Parks and Recreation Director
Matt Hughes, Golf Superintendent
Britt Lusk, Administrative Services Director
Meghan Mooney, Director of Communications
Sandy Farrell, Library Director
Ann Betzen, Risk Manager/Executive Assistant
Sandra Boltshauser, Clerk Record Specialist
Jan Fletcher, City Clerk
13 citizens

Invocation and Pledge of Allegiance

Commissioner Taylor delivered the invocation and Commissioner Joseph Calderón led the Pledge of Allegiance.

Approval of Minutes

Commissioner Joseph Calderón moved that the minutes of the regular meeting held on March 20, 2017, be approved as presented. Commissioner Taylor seconded the motion and the vote was recorded as follows: Cynthia Calderon yes, Joseph Calderón yes, Taylor yes, Buie yes, Gerth yes, Cobb yes. The motion carried.

Proclamations and Awards of Merit

Proclamation Proclaiming the Month of April, 2017, as "Fair Housing Month".

Mayor Cobb read a proclamation proclaiming the month of April, 2017, as "Fair Housing Month" and presented the proclamation to Rev. B. J. Choice and Ms. Wanda Bell of Lea County Housing, Inc.

Rev. Choice and Ms. Bell thanked the City for its participation in filling the housing needs of Lea County.

Public Comments

Ms. Helen Houston, President and Executive Director of the African American Chamber of Commerce, stated the African American Chamber has been renamed to the New Mexico National Black Chamber. She invited the Commission and citizens to attend a town hall meeting to be held on Saturday, April 8, 2017, at Booker T. Washington School. She stated the topic of the meeting will be the education of an interactive database sponsored by the Robert Wood Foundation. Ms. Houston explained that the public will be educated on the policies and use of the program.

Mr. Nicholas Maxwell addressed the Commission regarding concerns over a lack of financial disclosure forms on file. He read the requirements of the City's current policy and stated that Commissioners and staff are required to sign the forms as they are considered public records.

In response to Mr. Maxwell's inquiry of the Commission for response, Mr. Mike Stone, City Attorney, stated this portion of the meeting is designated for public comments only.

Consent Agenda

Mayor Cobb stated Resolution No. 6534 on the consent agenda relates to making appointments and re-appointments to various City Advisory Boards. He expressed his appreciation to the new and returning members of these volunteer boards who often do the background work for the Commission.

Mayor Cobb explained the Consent Agenda and the process for removing an item from the Consent Agenda and placing it under Action Items.

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

Resolution No. 6534 - Authorizing Appointments to Various City of Hobbs Advisory Boards

Resolution No. 6535 - Authorizing Adoption of the Required Community Development Block Grant (CDBG) Annual Certifications and Commitments (2017) CDBG 16-C-NR-I-01-G-03

Commissioner Cynthia Calderon seconded the motion and the vote was recorded as follows: Cynthia Calderon yes, Taylor yes, Joseph Calderón yes, Buie 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

There were no items presented for discussion.

Action Items

FINAL ADOPTION: Ordinance No. 1101 - Amending Section 2.56.580 of the Hobbs Municipal Code Relating to Nepotism for Seasonal and Temporary Employees Only

Mr. Nicholas Goulet, Human Resources Director, explained the ordinance and stated it has been properly published and is presented to the Commission for formal action tonight. He stated the City, in the past, has had a pool of approximately 170 applicants to fill 155 seasonal positions. He stated basically all applicants will get hired because there is no room to weed out unsuitable applicants. He stated the seasonal positions will increase when the CORE opens. Mr. Goulet stated the current ordinance prohibits relatives of City Commissioners, the Mayor and City Manager from employment with the City. He stated the proposed amendment would exempt the prohibition as it applies to seasonal or temporary employees but continues to prohibit hiring of children, grandchildren and siblings of Commissioners, Mayor and the City Manager. Mr. Goulet further stated the current ordinance prohibits a person from being hired by the City if the position is under the direct supervision of the departmental chain of command of a relative within the third degree of kindred. In closing, Mr. Goulet stated this amendment would broaden the pool of applicants as it applies to seasonal or temporary employees,

as long as the employee is not supervised by their immediate supervisor or supervisor's supervisor. He added that regardless of the outcome of the vote tonight, the City will continue to provide the best service to its citizens.

In response to Commissioner Gerth's question, Mr. Goulet stated there were approximately 199 applicants in 2016, and of that, 172 were hired for the seasonal and temporary positions.

In further response to Commissioner Gerth, Mr. Goulet stated the City has hosted job fairs at the New Mexico Junior College, University of the Southwest and the Hobbs High School in the past, but they are not held regularly.

Commissioner Gerth suggested thinking outside the box when it comes to hiring the seasonal and temporary employees.

Commissioner Buie expressed his opposition to the ordinance relating to nepotism for seasonal and temporary employees only and stated he feels it may be a quick fix to the situation. He added the City brought this issue to the Commission approximately two years ago and it was voted down at that time.

In answer to Commissioner Cynthia Calderon's inquiry, Mr. Goulet confirmed that the siblings, children and grandchildren of the Mayor, any of the Commissioners or the City Manager would not be ineligible for employment.

Commissioner Cynthia Calderon stated while this ordinance relating to nepotism for seasonal and temporary employees would no longer affect her, she stated her children gained so much knowledge while working for the Parks and Recreation Department. She further stated she has seen the same leadership and mentoring skills learned by her dive team students at Hobbs High School. Commissioner Cynthia Calderon stated she has seen the struggle to find summer employees over the years and with the addition of the CORE, the City will likely find the struggle even greater. She stated there is a very small hiring base for the City.

Mr. Goulet agreed and stated that with the rise of the oilfield, the City's struggle traditionally becomes more difficult. He further stated the electronic application process has definitely helped streamline the process but there will be fewer applicants available when the oilfield begins hiring again.

Commissioner Cynthia Calderon stated a struggle she observed was a lack of committed seasonal employees. She stated there were always some seasonal and temporary employees who would leave their positions after being hired causing more working hours and burden for those still employed.

In response to Commissioner Gerth's inquiry, Mr. Goulet stated he has not received any response from the public regarding support or opposition to the proposed ordinance. He added the only negative response he saw regarding the ordinance was a post on the Hobbs News Sun's Facebook account. He stated he has not been approved as a member of the Hobbs Commission Closed Camera Group on Facebook so he has been unable to see any of the comments there.

In answer to Commissioner Cynthia Calderon, Mr. Goulet stated this ordinance would not affect the hiring process for full time employees with the City. It will only be applicable when hiring seasonal or temporary employees.

In further response to Commissioner Cynthia Calderon, Mr. Goulet stated the seasonal and temporary employees affected would be for all positions, including the Learn-to-Swim instructors, Basketball and Activity Directors for the summer program.

Mr. Goulet further explained the number of FTE and seasonal or temporary positions for the CORE are still in discussion.

Mayor Cobb stated the discussion of hiring CORE employees is premature. He added the partnership with NMJC will likely lead to student work-study programs that will assist in the employment situation at the facility.

Mr. Goulet stated the facilities visited prior to the construction of the CORE have been contacted for advice on the number of full time, seasonal and temporary employees which they utilize.

In response to Commissioner Buie's question, Mayor Cobb stated there will be no more site visits.

Mr. Goulet stated the City has compiled a survey for those facilities regarding their number of employees.

In answer to Commissioner Gerth's question, Mr. Goulet stated there were only three applicants that were turned away last year due to the current nepotism ordinance. He added that the number might have been higher; however, some applicants who are aware of the restrictions simply do not apply for the positions.

Commissioner Gerth agreed with Commissioner Buie's opposition of the ordinance relating to nepotism for seasonal and temporary employees. He stated more public input is needed before a decision can be made.

Mr. Goulet stated the City has advertised positions on social media, in local newspapers, through ambassadors to the Hobbs Municipal Schools and through www.govjobs.com

in an attempt to increase the hiring pool for seasonal and temporary employees. He added that even though the Commission is faced with this tough decision, the City and current employees will do everything they can to get the job done.

In response to Commissioner Cynthia Calderon's inquiry, Mr. Goulet stated quite a few of the seasonal and temporary employees are college students who come back to work in Hobbs during their summer break.

In response to the question posed by Ms. Helen Houston, Mr. Goulet confirmed that while siblings, children and grandchildren are not eligible for seasonal and temporary positions, spouses are not restricted by this ordinance. He also confirmed that temporary employees may only be retained for nine months; however, if they seek permanent employment, they will be required to apply for the position and go through the entire application process as do other applicants.

In response to Ms. Houston's suggestion of limiting the percentage of related employees, Mr. Goulet stated this would be considered a significant change to the proposed ordinance and would require republishing.

Mr. Nicholas Maxwell expressed his objection to the ordinance relating to nepotism as a question of ethics. He stated the hiring of the spouse of the Mayor, any Commissioner or the City Manager is unacceptable. He stated the vote of the Commission failed to pass on this item two years ago, and he reminded the Commission that they can table the ordinance until a time that Commissioner Newman can be present for the discussion.

There being no further discussion or comments from the public, Commissioner Joseph Calderón moved that Ordinance No. 1101 Amending Section 2.56.580 of the Hobbs Municipal Code Relating to Nepotism for Seasonal and Temporary Employees Only be adopted. The motion died for lack of a second.

PUBLICATION: Proposed Ordinance Approving a Real Estate Purchase Agreement to Sell and Convey Property Located at 105 West Broadway to Richard Martin for the Purchase Price of \$86,000.00

Mr. Kevin Robinson, Development Coordinator, explained the proposed ordinance and stated the City obtained the property on West Broadway, a public parking lot located South of the building and two pocket parks upon the dissolution of MainStreet Hobbs, Inc., several years ago. He stated the City now wishes to sell the property on Broadway for the appraised price to Mr. Richard Martin.

Mayor Cobb stated the MainStreet building consisted of office space and when MainStreet Hobbs struggled to keep their 501(C)3 designation, they transferred their assets, including the property and the remaining funds left in their checking account, to

the City of Hobbs. Mayor Cobb stated the funds were used to make improvements to the building.

There being no further discussion, and no comments from the audience, Commissioner Buie moved that the Commission publish notice of its intent to adopt the ordinance at a later date. Commissioner Joseph Calderón seconded the motion and the vote was recorded as follows: Cynthia Calderon yes, Taylor yes, Joseph Calderón yes, Buie yes, Gerth yes, Cobb yes. The motion carried. Copies of the supporting documentation are attached and made a part of these minutes.

Consideration of Approval of Change Order No. 1 with J & H Construction for the Trunk Line F Sanitary Sewer Replacement Phase 8 in the Amount of \$20,408.50 plus GRT

Mr. Tim Woomer, Utilities Director, explained the Change Order and stated after the removal of the existing manhole and pipe at the intersection of Lovington Highway and Central Drive, it was discovered that additional work would be required to complete the new manhole installation because the existing pipe grades were different than anticipated. He stated the change order also includes adding rebar to the concrete for additional support and reliability. He added the work is on schedule and expected to be completed in January, 2018.

Mr. Woomer stated a mathematical error was made on the staff summary. He explained that the cost of the change order would be \$13,608.50 for the new manhole installation and \$6,800.00 for the additional rebar. Mr. Woomer stated the change order amount is \$20,408.50 making the total contract amount \$3,567,626.65, a difference of \$200.00 less than what was reported on the staff summary.

In response to Commissioner Gerth's inquiry, Mr. Woomer stated the work on Central Drive will be open to Lovington Highway in approximately three weeks and the project will move North to Caprock Street. He stated that portion of the project will be complete in June, 2017.

There being no further discussion, Commissioner Joseph Calderón moved to approve Change Order No. 1 with J & H Construction for the Trunk Line F Sanitary Sewer Replacement Phase 8 in the amount of \$20,408.50 plus GRT as requested. Commissioner Cynthia Calderon seconded the motion and the vote was recorded as follows: Cynthia Calderon yes, Taylor yes, Joseph Calderón yes, Buie yes, Gerth yes, Cobb yes. The motion carried. Copies of the supporting documentation are attached and made a part of these minutes.

Closed Session

Mayor Cobb stated the City Commission convened in closed session on Thursday, March 23, 2017, at 5:00 p.m. for discussion of limited personnel matters, specifically the City Manager's employment contract. The matters discussed in the closed meeting were limited only to discussion of limited personnel matters, specifically the City Manager's employment contract. No action was taken during the meeting.

Comments by City Commissioners, City Manager

Commissioner Gerth stated he walked around the Veteran's Memorial Complex last weekend during the USSSA Tournament and heard many positive comments on the fields and facilities in Hobbs.

Commissioner Cynthia Calderon stated she feels so blessed and is proud to be a Hobbsan. She also commented that nine people were watching the meeting via livestream.

Commissioner Taylor expressed appreciation to the Parks and Recreation Department for the work they have done at the Veteran's Memorial Complex. She stated once Taylor Ranch and the CORE are complete, there will be more of a huge draw of people to Hobbs and Lea County. She thanked everyone for all of the hard work being done to complete these projects.

Mayor Cobb asked everyone to remember Commissioner Newman in their thoughts and prayers and reminded everyone to watch the speed limits on City streets.

Adjournment

There being no further discussion or business, Commissioner Joseph Calderón moved that the meeting adjourn. Commissioner Cynthia Calderon seconded the motion. The vote was recorded as follows: Cynthia Calderon yes, Taylor yes, Joseph Calderón yes, Buie yes, Gerth yes, Cobb yes. The motion carried. The meeting adjourned at 6:54 p.m.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk



ACTION ITEMS



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: April 17, 2017

SUBJECT: AWARD BID No 1556-17 FOR JANITORIAL SERVICES FOR CITY OF HOBBS
DEPT. OF ORIGIN: General Services
DATE SUBMITTED: 4-11-17
SUBMITTED BY: Ronny Choate, General Services Director

Summary:

Bids were opened at 2:00 PM on Thursday, March 30, 2017 for the Janitorial Services for the City of Hobbs. The contract consists of janitorial services for the following buildings: City Hall, Police Department, Forensic Lab, District Attorney's Office, Animal Adoption Center, Library, Utilities, Hobbs Express and the Parks Operations Center.

An advertisement was placed in the local newspaper. Three bids were submitted.

<u>Company</u>	<u>Total Bid Price</u>
Kleen-Tech Services Corp.	\$ 169,572.00
Divine Janitorial Services, LLC	\$ 307,625.00
American Renovation, Inc.	\$ 255,255.00

Kleen-Tech Services Corp. is the lowest responsible bidder. In accordance with the above narrative, it is the recommendation of the General Services Department that the bid for janitorial services be awarded to Kleen-Tech Services Corp., as low bidder in the amount of \$169,572.00 (not including GRT).

Fiscal Impact:

Reviewed By: _____

Finance Department

Contract Amount: \$169,572.00
NMGRT: \$ 11,552.09
Estimated Total Cost: \$181,124.09

A contract will be created for each building, that will correspond with each separate budget.

Attachments: Bid Summary

Legal Review:

Approved As To Form: _____

City Attorney

Recommendation: Award the Janitorial Services for the City of Hobbs to Kleen-Tech Services Corp.

Approved For Submittal By: _____

Department Director

City Manager

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

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

BID SUMMARY

BID/PROPOSAL NO. 1656-17

FURNISH Janitorial Services for City of Hobbs

BIDDER	Kleen Tech	Divine	ARC	
NM CONTRACTORS LICENSE				
BID BOND				
ADDENDUMS	✓	✓	✓	
BID FORM	✓	✓	✓	
SUBCONTRACTORS LIST	✓	✓	✓	
RESIDENT BIDDERS PREFERENCE NO.	✓	✓	✓	
VETERANS PREFERENCE	✓	✓	✓	
CAMPAIGN CONTRIBUTION FORM	✓	✓	✓	
NON-COLLUSION AFFIDAVIT	✓	✓	✓	
RELATED PARTY DISCLOSURE FORM	✓	✓	✓	
DEPARTMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION	✓	✓	✓	
ALTERNATE 3				
BASE BID TOTAL				
TOTAL	\$169,572 ⁰⁰	\$307,625 ⁰⁰	\$255,255 ⁰⁰	



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: April 17, 2017

SUBJECT: ANNUAL PAVING AGREEMENT WORK ORDER TO RAMIREZ & SONS – CALLE SUR/JOE HARVEY INTERSECTION IMPROVEMENTS

DEPT. OF ORIGIN: General Services
DATE SUBMITTED: 4-11-17
SUBMITTED BY: Ronny Choate, General Services Director

Summary:

The project will consist of removal of the median on Calle Sur, at the Joe Harvey intersection. Work includes removal of the entire median and new pavement construction on Calle Sur from Joe Harvey to Calle Grande. This will improve traffic flow in the area and decrease accidents/near-miss accidents that are caused by the location of the median in relation to nearby parking lot entrances.

The work is for this project will be performed under the Annual Concrete/Paving Agreement with Ramirez and Son's. The Work Order will not be issued until school is released for summer break.

Fiscal Impact:

Reviewed By: 
Finance Department

Ramirez Work Order Estimate: \$78,030.82
NMGRT: \$ 5,315.85
Total Estimated Cost: \$83,346.67

Budget Amount: \$171,309.00
Budget Number: 1-0423-44901-148

Attachments: Estimated Cost / Location Map

Legal Review:

Approved As To Form: 
City Attorney

Recommendation: Consideration and Approval of Ramirez Work Order for the Calle Sur/Joe Harvey Intersection Improvements

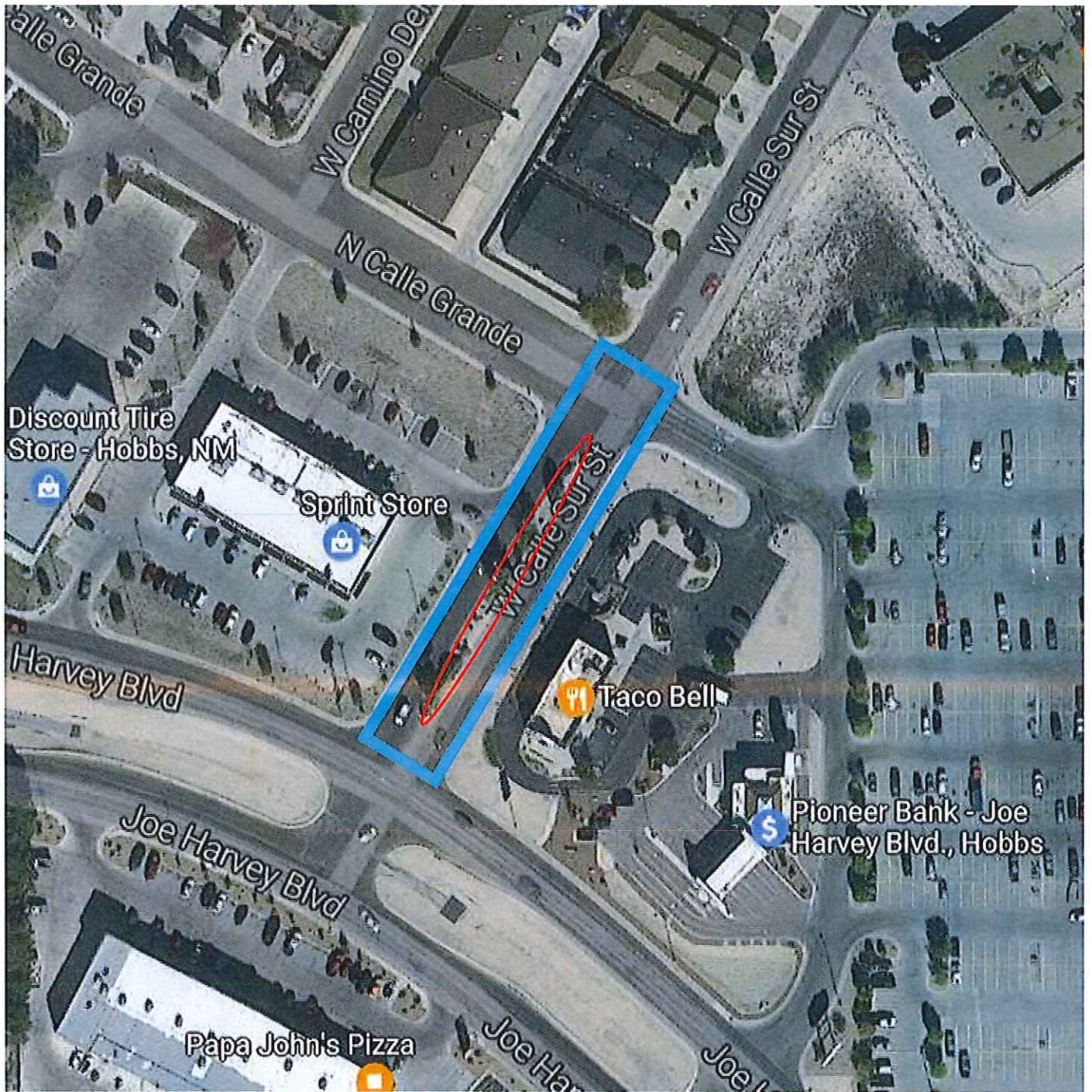
Approved For Submittal By:

Department Director

City Manager

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



Discount Tire Store - Hobbs, NM

Sprint Store

Taco Bell

Pioneer Bank - Joe Harvey Blvd., Hobbs

Papa John's Pizza



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: April 17, 2017

SUBJECT: FY18 NM State Fire Protection Fund Application
DEPT. OF ORIGIN: Fire Department
DATE SUBMITTED: April 11, 2017
SUBMITTED BY: Manny Gomez, Fire Chief

Summary:

This request is to submit an application which is in compliance with state established fire department funding. The funding process was statutorily established in 1978 (Article 53, 59A-53-4 and 59A-53-5). The Hobbs Fire Department will submit an application for state funding for FY18 in the amount of \$385,430.00 based on the department's ISO 2 rating and the State Fire Protection Fund Distribution formula. The deadline to submit application is April 30, 2017.

Fiscal Impact:

Reviewed By: [Signature] Finance Department

This funding is not dependent on, or tied to matching funds.

Attachments:

- 1. Resolution
2. NM State Fire Marshal's Office FY18 Municipal Fire Protection Fund Distribution Pursuant to the Fire Protection Fund Act

Legal Review:

Approved As To Form: [Signature] City Attorney

Recommendation:

The Commission approves the resolution and permission to proceed with the state funding application.

Approved For Submittal By:

[Signature] Department Director
[Signature] City Manager

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COMMISSION ACTION TAKEN

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

CITY OF HOBBS

RESOLUTION NO. 6536

A RESOLUTION APPROVING THE NEW MEXICO
STATE FIRE PROTECTION FUND APPLICATION FOR FY18

WHEREAS, the City of Hobbs Fire Department is eligible for funding from the State of New Mexico under the FY 18 State Fire Protection Fund; and

WHEREAS, the Hobbs Fire Department requests to submit an application for state funding in the amount of \$385,430.00 based on the department's ISO 2 rating and the State Fire Protection Fund Distribution formula; and

WHEREAS, funding is not dependent on or tied to matching funds; and

WHEREAS, the deadline to submit an application is April 30, 2017;

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 this resolution approving the submission of FY 18 New Mexico State Fire Protection Fund Application.

PASSED, ADOPTED AND APPROVED this 17th day of April, 2017.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

NEW MEXICO PUBLIC REGULATION COMMISSION

COMMISSIONERS

DISTRICT 1 CYNTHIA B. HALL, VICE CHAIR

DISTRICT 2 PATRICK H. LYONS

DISTRICT 3 VALERIE ESPINOZA

DISTRICT 4 LYNDA LOVEJOY

DISTRICT 5 SANDY JONES, CHAIR

CHIEF OF STAFF

Ernest D. Archuleta, P. E.



P.O. Box 1269
1120 Paseo de Peralta
Santa Fe, NM 87504-1269

STATE FIRE MARSHAL DIVISION

Room 413

800-244-6702 (In-state only)

(505) 476-0174

Fax : (505) 476-0100

NEW MEXICO STATE FIRE MARSHAL DIVISION

FISCAL YEAR 2018 MUNICIPAL FIRE PROTECTION FUND DISTRIBUTION

This application is required to participate in the distribution of the Fire Protection Fund for the 2018 fiscal year. The application is due in the State Fire Marshal Division on or before April 30, 2017.

FIRE DEPARTMENT Hobbs

FIRE DEPARTMENT ADDRESS: 301 East White St., Hobbs, NM 88240

ISO CLASSIFICATION: 2

Approved number of Main Stations is 4

Station #4	3710 College Lane	Hobbs	NM	88240
Station #3	1717 W. Joe Harvey Blvd	Hobbs	NM	88240
Station #2	2300 N. Jefferson	Hobbs	NM	88240
Central Station	301 E. White St.	Hobbs	NM	88240

Approved number of Admin Buildings is 1

Admin. Bldg.	200 E Broadway	Hobbs	NM	88240
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If you contend the above ISO Class or station information is incorrect, please attach a list of your claim of main and substations and sign here: _____

The projected minimum amount for fire fund distribution, based on the above information, is \$385,430. This does not include any additional amounts that may be calculated from growth in the fund.

An official written request for authorization to rollover and accumulate Fire Protection Fund monies shall be submitted to this Office no later than August 31, 2017. The request shall identify the intended purpose and exact amount of money to be carried over into the FY 2018 balance.

For the purpose of this Application, list the anticipated amount and intended purpose your department will rollover from FY'17 to FY'18. \$ 575,000 - Class A Pumper, \$150,000 - Ambulance, \$150,000 - Grass Rig

*Provide current balance of the fire department's total Fire Protection Fund account to date: \$ 928,284.82

The Fire Service Support Bureau of the State Fire Marshal Division continues to strive toward achieving 100% compliance with the monthly reporting requirements as established in Article 59A-52 the "Fire Marshal Act," Article 59A-53 "The Fire Protection Fund" and NMSA 10-25-10 "The Fire Protection Fund."

State Law, NMSA 10-25-10, requires all fire departments participating in the distribution of the Fire Protection Fund submit a detailed fire report of the departments activity on or before the 10th of each month for the previous months activity.

The Fire Service Support Bureau reviews all reporting activity on a monthly basis to determine compliance with the reporting requirement. When this Office determines that your fire department is out of compliance, the Fire Chief will be notified of the department's status, if your fire department fails to achieve compliance a letter identifying restrictions on the use of the Fire Protection Funds will be forwarded to the head of local government.

This Office will continue to offer technical support and training on the proper uses of the NFIRS program. If you are having issues with the system or require training you may submit your request via e-mail at vernon.muller@state.nm.us

Please provide updated contact information for a minimum of two primary users of the NFIRS program for your department. (Please print legible)

<i>Name:</i>	<i>Email:</i>	<i>Phone:</i>
1. Mark Ray	mray@hobbsnm.org	575-397-9308
2. Kevin Shearer	kshearer@hobbsnm.org	575-397-9308

The information contained in this application is true and correct to the best of our knowledge. It may be used to verify legal requirements and is subject to audit.

Signed and submitted on this _____ day of _____ 2017.

Printed Name and /S Signature of Mayor

Fire Chief Printed Name and /S Signature of Fire Chief



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: April 17, 2017

SUBJECT: RESOLUTION TO CONSIDER AN APPEAL TO A DECISION OF THE CITY OF HOBBS PLANNING BOARD REGARDING A FRONT YARD SETBACK VARIANCE FOR A PROPOSED STRUCTURE TO BE LOCATED NORTH OF HOLIDAY INN EXPRESS AT 4000 N. LOVINGTON HIGHWAY.

DEPT. OF ORIGIN: Planning Division
DATE SUBMITTED: April 10, 2017
SUBMITTED BY: Kevin Robinson – Planning Department

Summary: The City received a variance request from Hawkins Companies to allow a structure to be built within 20' of the front yard property line adjacent to a Major Arterial requiring a 40' front yard setback. The Planning Board reviewed the variance request during the December 20, 2016 regular meeting and voted 3-1 to disallow the variance request. Subsequently, the Hawkins Companies amended the variance request to include the totality of their Planned Development encompassing +/- 18.75 Ac. located southeast of the intersection of the proposed projection of Magnolia and the Lovington Highway. The Planning Board reviewed the amended variance request during the January 17, 2017 regular meeting and voted 4-0 to grant a conditional variance (attached). Afterwards Hawkins Companies determined they were unable to abide by the conditions of the conditional variance and requested for their original request be heard by the Planning Board again. The Planning Board reconsidered the original variance request during the March 21, 2017 regular meeting, the motion to grant the variance failed due to lack of a second, thereby disallowing the variance request. The Hawkins Companies have requested to appeal the most recent Planning Board decision to the City Commission.

The Resolution is written so that a YES Vote to approve the Resolution affirms the decision of the Planning Board and disallows the variance request.

Options for the City Commission to consider are 1) Vote YES to Approve the Resolution and affirm the Planning Boards decision; 2) Vote NO on the Resolution and allow the setback variance; or 3) Seek some other course of action to grant a variance with conditions.


Fiscal Impact:

Reviewed By: 
Finance Department

Action on the appeal does not appear to have a direct fiscal impact on the City budget.

Attachments: Resolution, Appeal Letter, Planning Board packet, excerpts from the Major Thoroughfare Plan.

Legal Review:

Approved As To Form: 
City Attorney

Recommendation:

Study the issues and render a decision on the information presented and the adopted Major Thoroughfare Plan.

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. 6537

A RESOLUTION TO CONSIDER AN APPEAL TO A DECISION OF THE CITY OF HOBBS PLANNING BOARD REGARDING A FRONT YARD SETBACK VARIANCE FOR A PROPOSED STRUCTURE TO BE LOCATED NORTH OF HOLIDAY INN EXPRESS AT 4000 N. LOVINGTON HIGHWAY.

WHEREAS, the City of Hobbs has received a written appeal of a recent decision by the City of Hobbs Planning Board to disallow a front yard variance request for a proposed structure to be located north of 4000 N. Lovington Highway, submitted Hawkins Companies, property owners; and

WHEREAS, the front yard variance request was reviewed by the Hobbs Planning Board on multiple occasions but most recently at the regular meeting in March 21, 2017 and after considerable review and study, the variance request failed due to lack of a second, thereby disallowing the variance request.

NOW, THEREFORE BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that

A. The City of Hobbs hereby _____ the decision of the Planning

affirms/denies

Board to disallow a front yard variance request for the proposed structure to be located north of 4000 N. Lovington Highway.

B. The City officials and staff are directed to do any and all acts necessary to carry out the intent of this Resolution.

PASSED, ADOPTED AND APPROVED this 17th day of April, 2017.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

Kevin Robinson

From: Brandon Whallon <bwhallon@hcollc.com>
Sent: Wednesday, April 05, 2017 11:21 AM
To: Kevin Robinson
Cc: Todd Randall; Ryan Manteuffel; Mark Mitchell; Rachael Caiazzo
Subject: Appeal of Planning Board Setback Variance Decision
Attachments: Variance Request Setbacks.docx

Greetings Kevin and Todd,

We have been asked to pursue all available opportunities to have our building located 20' behind the front property line along Lovington Highway.

Attached is my narrative for the basis of our appeal request. We are also currently working on some visual exhibits that we will forward to you ASAP.

Please let me know if you have any comments or questions.

Thank you,

Brandon Whallon, AICP
Pre-Development Manager
208.908.5576 Office
208.860.4076 Cell
Hawkins Companies LLC

April 3, 2017

City of Hobbs Planning Department
ATTN: Mr. Kevin Robinson
200 East Broadway
Hobbs, NM 88240

RE: Appeal of Minor Variance Request along Major Arterial

Dear Mr. Robinson,

Hawkins Companies would like to appeal the Minor Variance from the building setback standard that was denied by the Planning Board on March 21, 2017. This application was previously heard and approved by the Hobbs Planning Board on February 21, 2017.

Standard 1: For lots that have been through a subdivision process:
A forty (40') setback from the front property line.

Standard 2: For lots/property that has not been through a subdivision process:
A ninety (90') foot front building setback to Center of Street.

Hawkins Companies respectfully asks that a twenty (20) foot setback be applied to our property. We feel that our property presents some unique circumstances, and allowing said setback variance does not convey extra privileges to our property, nor will it hinder traffic, nor interfere with future roadway improvements.

In review of the Major Thoroughfare Plan (Adopted November 2005), the "Purpose" of the plan is clearly identified:

- Establish a general plan for the city and its streets;
- Establish a general plan for the extension of the city and its roads;
- Promoting the Health, Safety, Morals and the General Welfare of the general public;
- To lessen the congestion on the streets;
- To provide safety from Fire, Panic, and other dangers;
- To provide adequate light and air;
- To prevent overcrowding of land;
- To avoid undue concentration of populations;
- To facilitate adequate provisions for transportation, water, sewage and other public requirements and thereby promote the general good and welfare of the public.

I also reached out to the New Mexico Department of Transportation to get their input on the size and purpose of setbacks from the DOT's perspective. Francisco Sanchez, P.E., NMDOT District #2 Traffic Engineer provided me with the following items of concern for the DOT with regards to setbacks:

- Commercial developments typically happen within municipalities jurisdiction, and most jurisdictions requirements are usually more stringent than the DOT, so the DOT will defer to the municipality;
- In instances where the municipality does not have a setback standard, the NMDOT State Access Management Manual can provide guidance;
 - The section of the manual has minimal guidance for setbacks:

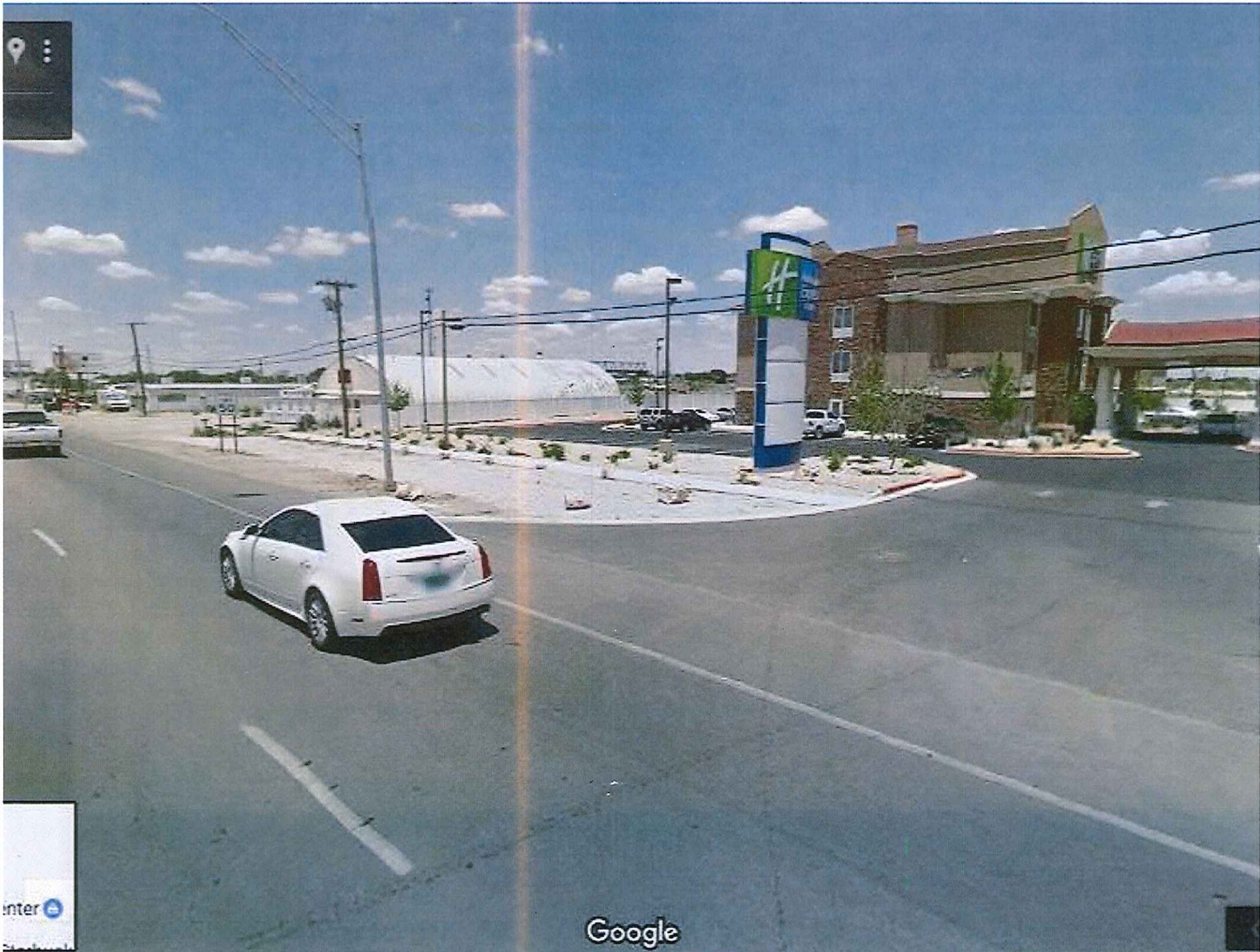
- Improvements on public or private property adjacent to the right-of-way should be located so that parking, stopping, and maneuvering of vehicles within the highway ROW shall not occur;
- The minimum setback from the right of way line for all structures and site obstructions should be the clear zone, but in no case less than twelve (12) feet;
- At all driveways and intersections, an adequate sight triangle shall be provided;
- The minimum setback point for the sight triangle should be twenty (20) feet from the near-side extended highway edge line or curb line;
- Mr. Sanchez states that "In my perspective, the site triangle is the most critical requirement;
- To satisfy the NMDOT, departure (trips leaving the property) sight triangles must meet AASHTO green book distances;
- In his review of the proposed site plan, Mr. Sanchez states "Reviewing the conceptual drawing, the NMDOT setback requirement seems to be met".

Hawkins Companies feels that allowing our property to develop with the building being placed twenty (20) feet from the front property line will not prevent the "Purposes" identified in the Hobbs Major Thoroughfare Plan from being achieved. As this area transitions to a more "urban" setting, new commercial development will want to be located closer to the front property line (for viewing exposure from vehicular travelers on Lovington Highway), and we also feel that bringing the buildings closer to the front of the property is more aesthetically pleasing than the parking field may be.

Our proposed building location exceeds the minimum setback established for unplatted property (Buildings shall be setback a minimum of ninety (90) from the Centerline of the road that it fronts (our building will be approximately one hundred (100) feet from the centerline of Lovington Highway); we exceed the minimum standards established by the New Mexico Department of Transportation State Access Management Manual's setback criteria; and our development will not have adverse impacts upon our neighbors, nor other properties located within the vicinity. Specifically, the Holiday Inn Express is three (3) stories in height, so they will still be the dominant building in the vicinity, and their sign is located near their property line on Lovington Highway, of which our improvements would have no impact on.

Hawkins Companies respectfully requests to apply a Minor Variance to the Major Thoroughfare Plan, and allow our property to develop with a twenty (20) foot setback from the front property line.





Google



- 5) Review and Consider front yard setback variance request for proposed development to be located adjacent to the Lovington Highway north of the Holiday Inn Express as submitted by Hawkins Companies, property owner. Lovington Highway is classified as a Major Arterial with a required setback of 40' from the property line; the proposed structure is requested to be located 20' from the property line requiring a 20' variance.

Mr. Robinson said this is a front yard setback variance request. He said Lovington Hwy is a major arterial requiring a 40 foot setback and the developer is proposing a 20 foot setback. He said the 20 foot setback will be on this single proposed structure. He said it will be located on a subdivision that was recently purchased. He said there are several existing structures located on the east side of Lovington Highway that are non-compliant with the Major Thoroughfare Plan as far as setbacks. He said the new structures which are located from Holiday Inn to Bender with the exception of Pet Smart are compliant. He said Pet Smart has about 30 or 35 foot setback.

Mr. Robinson said there is a master plan for the entire property being looked at today. Mr. Hicks asked if they were only asking for the variance for this one lot? He said it looks like they intend this for the entire master plan. Mr. Robinson said this is not a submittal and can be change. He said according to the master plan right now there will be two buildings that will require a variance setback.

Mr. Hicks asked what the staff's recommendation was and what the future need for development along Lovington Highway is. Mr. Robinson said that it is at the discretion of the Board. He said staff will be diligent in maintaining the site triangle.

Mr. Ramirez asked what the main reason for the variance was? Mr. Robinson said they would like to locate the structure closer to the property line for visibility. Mr. Shaw said he will be abstaining from this item because he is directly involved in the transaction. He said the developers have closed on this piece of this property early because Verizon wanted to be open mid to late 2017. He said from what he understands one of the requirements from Verizon is the position of the building of the lot.

Mr. Kesner said he is worried about traffic. He said he thinks they need to limit their access points off of Lovington Highway. He said with two accesses approximately 200 feet apart it would make more sense to move the entrance further north. Mr. Hicks said when they subdivided the lot they left a flag pole on the south side so the lot behind Verizon has access by the flag pole. Mr. Shaw said the primary access to the shopping center is further north. Mr. Randall said this will be one of four access points. Mr. Kesner said he thinks they have to limit access points off Lovington Highway. Mr. Randall said the Highway Departments standard is 660 feet between driveways except when a parcel has already been created. He said they typically will not deny access to a parcel that does not have a connection any place else.

Mr. Robinson said Hawkins Group has done a good job in Master Planning the entire site but we are only looking at the compliance of a portion of the site. He said if Hawking's went away tomorrow there could be numerous accesses to individual lots. He said you could

restrict the accesses to right in and right out only. Mr. Shaw said they do not own the property yet, this is a standalone issue now. Mr. Sanderson said if Verizon gets this variance then the other two parcels will want the same consideration. Mr. Randall said the Comprehensive Plan establishes several strategic corridors. He said this is a prime corridor for growth and he is excited to see development on all of these properties. Mr. Ramirez asked if it would affect the development? Mr. Shaw said he believed it would. Mr. Robinson said there are two parts to this setback. He said number one is the safety and the other is the aesthetics. Mr. Hicks said his company is involved in this project and he would also be abstaining. He said from an aesthetics perspective he doesn't think it is that big of a deal but he is concerned about the preservation of the corridor from the long term growth perspective. Mr. Sanderson said his concern is future developments on this corridor. Mr. Penick said he has seen a lot of Verizon stores set back in shopping centers.

Mr. Ramirez said if they are setting precedence then he will deny it because of the rest of the buildings. Mr. Hicks asked if it was a motion? Mr. Ramirez made a motion, seconded by Mr. Penick to deny the setback variance request. Mr. Shaw and Mr. Hicks abstained, Mr. Kesner said he opposed. He said he was more worried about the access than the setback. The vote on the motion was 3-1 and the motion was carried.

6) **Review and Consider proposed amendment of Municipal Code Title 16 (Subdivision Regulations).**

Mr. Robinson said this is the amendments that were requested to the Municipal Code. He said the change is to the claim of exemptions within the ETZ over 5 acres. He said a claim of exemption within the ETZ can conceivably be subdivided without any local governing authority approval. He said there are staff recommendations in your packet.

Mr. Sanderson left the meeting at 11:10 am.

Mr. Bruce Reid the County Planner said the County is making new ordinances and design standards in the near future. Mr. Hicks suggested coming back in 3 months to see where the county is with their new rules. He said we have assurances from Mr. Reid that the county is making people comply with development standards.

Mr. Hicks said the city will review every subdivision within the ETZ unless it is compliant with the county ordinances and regulations. He said the city will always review less than 5 acre subdivisions in the ETZ. Mr. Shaw said that gives the city authority to look at all subdivisions even if they are complaint with the county. Mr. Robinson said the changes to be made are: 1) the municipality reviews and approves everything under 5 acres? Mr. Kesner said we need to make it reasonable for developers. Mr. Robinson asked about the city looking over subdivisions that require a variance from the county?

After a lengthy discussion Mr. Kesner made a motion, seconded by Mr. Ramirez to table this item while staff rewrites the amendments of the Municipal Code Title 16 and has legal look it over. The vote on the motion was 5-0 and the motion carried.

7) **Review and Consider Planning Board Calendar for Calendar Year 2017.**

a motion, seconded by Mr. Penick to approve the preliminary plan with staff comments. The vote on the motion was 5-0 and with Mr. Shaw abstaining.

- 7) Review and Consider various variance requests for proposed development to be located adjacent to the Lovington Highway north of the Holiday Inn Express as submitted by Hawkins Companies, property owner. Variance Request #1 is a setback variance; Lovington Highway is classified as a Major Arterial with a required setback of 40' from the property line; the proposed structures are requested to be located 20' from the property line requiring a 20' variance. Variance #2 is a parking variance; total buildout will produce +/- 188,863 sq. ft. of retail space requiring 944 parking spaces per MC 15.20, the developer is proposing 850 parking spaces requiring a variance of 94 spaces. Variance #3 is a sign variance; MC 15.32.030 C-3 allows one multi-business shopping center sign comprised of 288 sq. ft. sign face total, the developer is proposing two multi-business shopping center sign comprised of 288 sq. ft. sign face total.

Mr. Robinson said this is variance request from Hawkins Development Group. He said this item came before this board at the last meeting for a variance on a single parcel that they purchased within their proposed master development area. He said it extends from the Holiday Inn Express north to the projected Magnolia Street. He said at the last meeting the variance was for the Verizon site which is the furthest south lot was denied. He said the development of the entire site would require three variances. He said it would be for a setback variance, a parking variance and a sign variance. He said staff has been in extensive discussions about developer agreements.

Mr. Robinson said Mr. Brandon Waylon with the Hawkin's group is here to speak. He said he had every intention of being at the last meeting but he went to the Commission Meeting instead of the Planning Board Meeting.

Mr. Waylon said they are looking at three variances needed for this property. He said one is the setback standard. He said they are requesting a 20 foot setback on the frontage. He said the second request is a modification to the off street parking standard. He said instead of the five parks per thousand they are requesting four. He said they are above that but they would like a little flexibility. He said the third variance will be for the signage.

Mr. Waylon said the first variance he would like to discuss if the signage. He said the code allows one sign for the shopping center to be 288 sq. feet of which 144 sq. feet have to go to the name of the shopping center. He said they believe the area is really going to change with the C.O.R.E. going in. He the site plan right now is 14 acres with 148,000 square feet of retail development with 17 different buildings with a possible 30 different tenants. He said what they are looking for is two signs for the center. He said they would like an aggregate of 288 feet spread on 2 signs.

Mr. Waylon said the second request is the slight modification to the off-street parking standard. He said the site plan before you today has 740 off street parking spaces, he said by code it would require 744 so they are 4 spaces short. He said in phase II there will be approximately a 40 thousand square foot building and they can add about 100 spaces to that.

He said full build out for phase I and phase II they will have approximately 188,000 square feet of development with 850 parking spaces provided which is about 90 short of the standard.

Mr. Hicks asked if their square footage is total building foot prints? Mr. Waylon said yes. Mr. Hicks said it is his assumption that each one of the buildings will have some type of storage. He said storage does not count against parking requirements. Mr. Waylon said his only hesitation is that he doesn't know who will be in some of these tenant spaces and he doesn't know how big their storage area will be versus their retail space. He said there will be a varied retail use so there will be a fluctuation in the parking field.

Mr. Hicks said 94 short is less than 15% of the total required. He said based on the assumption of storage he doesn't see that as an issue. He said he would encourage them to do a mix of compact and larger parking spaces.

Mr. Waylon said the last request he would like to make today is the setback variance. He handed out a packet that details three site plans. He said if you push the setback to the 40 foot they can easily move four of the buildings within the same area they are located and meet the setback but two of the buildings would get pushed back. He said it is the pushing back of the larger buildings that would require the drive isle to be moved back. He said then the parking field in front of their larger in line boxes gets reduced. He said they want to be the best two proposals in front of the Real Estate Committee and the parking field is one of the biggest things they look at.

Mr. Waylon said if the Board approves the 20 foot setback it will make a better situation that what is currently out there today. He said there is 35 feet of edge of pavement to the property line. So there is 75 feet for right-of-way improvement before you get to the property line and their buildings would be 20 feet behind that.

Mr. Kesner said he would like to see limited access off Lovington Highway. Mr. Waylon said if someone was trying to enter the shopping center they could pull out of the lane of travel and then decelerate for a safer situation. He said it is his understanding that diversifying the access points and giving them as many as possible keeps people from loading up and having difficulty getting in and out of the property. He said they are trying to strike a balance of getting people off and on the property.

Mr. Robinson said currently as the initial Master Plan site is proposed to be developed there are two accesses with an additional access of the Verizon Store to the south. Mr. Waylon said that he believes it is written in Verizon lease that they have access to Lovington Highway.

Mr. Shaw asked if there would be traffic control on Magnolia? Mr. Robinson said yes that is in the works. Mr. Kesner said his concern is not egress into the shopping center it is coming out of the shopping center. Mr. Hicks said limiting left turns is the biggest traffic incident problem. Mr. Randall said without this large project combining all these properties to create one point that will warrant a traffic signal then what they would have is individual driveways going into each property.

Mr. Hicks asked about the sign variance request. He asked if they were asking for two signs for 288 square feet plus the center name above it? Mr. Waylon said correct. Mr. Robinson said this Board could make things a little easier and give a variance for two shopping center signs.

Mr. Hicks asked if they granted the 20 foot setback would that apply to the Verizon Store and all the other stores? Mr. Waylon said yes. Mr. Hicks asked if the 20 foot would be landscaping? Mr. Waylon said absolutely.

Mr. Hicks asked for a motion on the sign variance first. Mr. Penick made a motion, seconded by Mr. Drennan to approve the variance for two shopping center signs contingent on the Developers Agreement. The vote on the motion was 4-0 with Mr. Hicks and Mr. Shaw abstaining.

Mr. Kesner made a motion, seconded by Mr. Sanderson for the off street parking variance from 1 per 1000 foot to 4 per 1000 foot subject to the development agreement. The vote on the motion is 4-0 with Mr. Shaw and Mr. Hicks abstaining.

Mr. Drennan made a motion, seconded by Mr. Penick to approve with the 20 foot variance for the entire project with the ingresses and egresses shown on the drawing.

Mr. Hicks asked Mr. Randall about the one lane in and two lanes out on the drawing. He asked if it would discourage left turn traffic by only providing one lane out? Mr. Randall said yes it would potentially discourage left turn traffic but it will also back everyone else up. He said the Highway department on this corridor doesn't want a driveway any more than 600 foot spacing. He said their rules for driveways and access points on an arterial are a lot less restrictive than this.

Mr. Kesner said if they are going to keep all three access points? He and said he is in favor of restricting right in and right out and can they do that during the construction phase similar to the one Walmart has. Mr. Hicks asked if he would like the motion to be amended? Mr. Kesner and Mr. Penick said yes. Mr. Hicks said left in is ok but left out is what you want restricted? Mr. Kesner said yes. Mr. Waylon said if they have to accept a reduced access then the middle access would be the access to do it.

Mr. Drennan amended the motion, seconded by Mr. Penick to have access as shown except the middle access is restricted to a right in, right out, left in only. The vote on the motion was 4-0 with Mr. Hicks and Mr. Shaw abstaining.

8) Review and Consider proposed subdivision located southwest of the intersection of Jones Road and Bensing within the extra territorial jurisdiction of the Municipality, as submitted by property owners.

Mr. Robinson said this is a claim of exemption located on Jones Road. He said there is a need for a dedication. He said the Lea County Subdivision Regulations they do not have an opportunity to accept a dedication on a claim of exemption. He said dedications have always been problematic. He said the Municipality does not want to own property in the ETZ and the County does not have to accept a dedication.



PLANNING BOARD

200 E. Broadway St.
Hobbs, NM 88240

575-397-9351 bus
575- 397-9227 fax

City of Hobbs, New Mexico

Hobbs Planning Board

Subject: Variance from front yard setback requirements (Major Thoroughfare Plan), variance from off-street parking requirements (MC 15.20) and variance from signage standards (MC 15.32) for proposed development located within Section 17, Township 18 South, Range 38 East, N.M.P.M., Lea County, New Mexico as reflected in the "Preliminary Site Plan" attached hereto.

Date: January 17, 2017

WHEREAS, the City of Hobbs Major Thoroughfare Plan requires a 40' front yard setback adjacent to a Major Arterial and developer has proposed a front yard setback of 20' for 3 of the structures proposed to be located adjacent to a Major Arterial; and

WHEREAS, Municipal Code 15.20 requires 1 parking space per each 200 square foot of net lease space developed and developer has proposed 1 parking space per each 250 square foot of net lease space developed; and

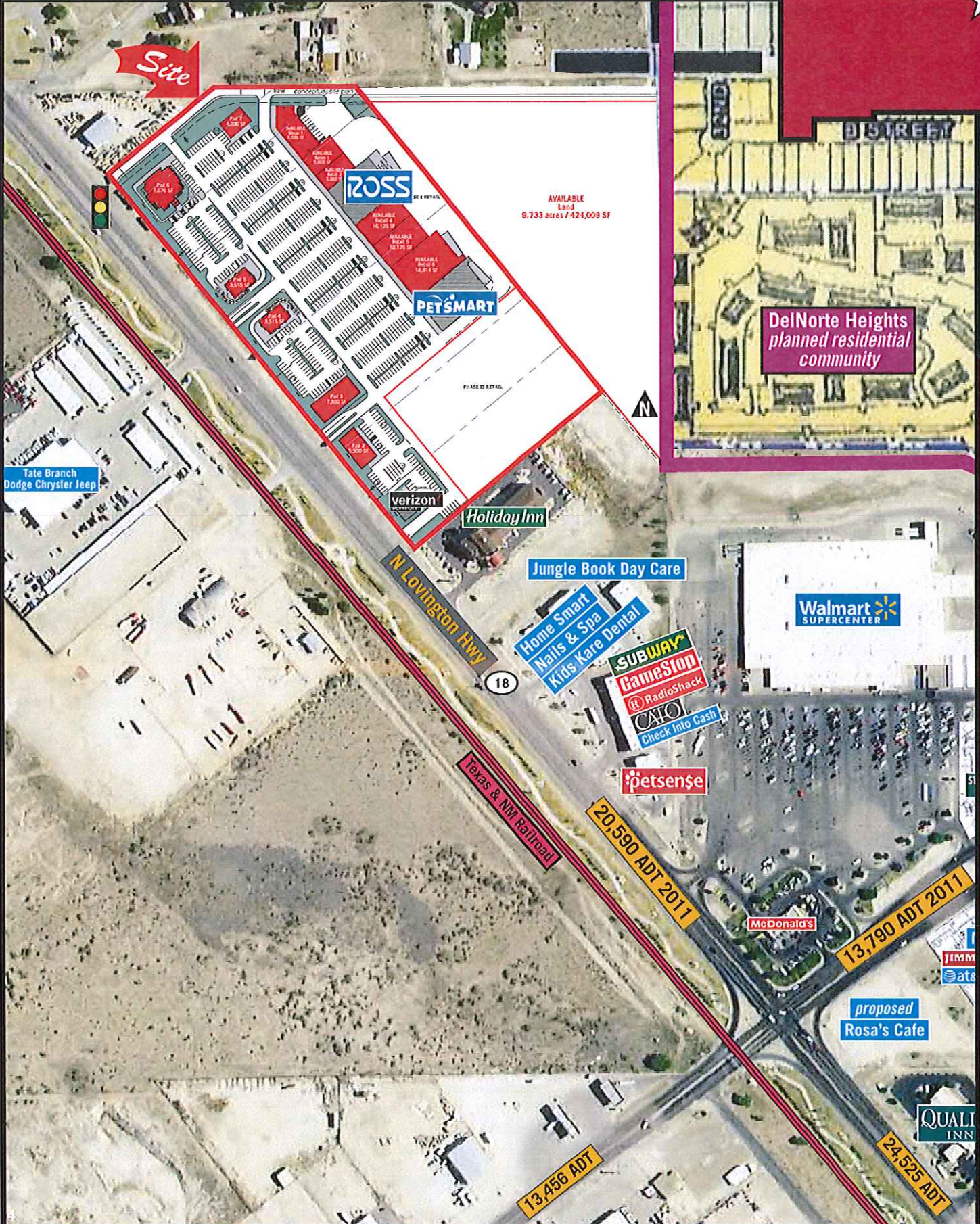
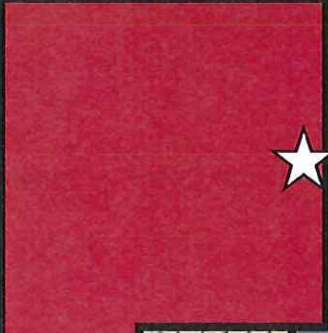
WHEREAS, Municipal Code 15.32.030 – C.3 allows 1 multi-business sign for a shopping center development and developer has proposed the installation of an additional multi-business sign; and

WHEREAS, the subject development seeks relief from the duly enacted developmental rules and regulations as stated above, hereby petitioning this body for a variance therefrom.

NOW, THEREFORE BE IT KNOWN, that

The following variance(s) to the City of Hobbs developmental rules and regulations as stated above are hereby granted contingent to the Developer entering into and the City Commission approving a Development Agreement for the proposed development. A required tenant to the DA shall be the non-refundable fair share development cost for the extension of Magnolia to be received by the Municipality prior to the issuance of a building permit for any structure within the proposed development. Additionally, the second access point located south of the Magnolia projection shall be restricted to disallow left turns out. Lastly, the City of Hobbs Planning Board strongly recommends a minimum parking stall size of 10' x 18' be considered for this development.

City of Hobbs Planning Board
William "Tres" Hicks, III, Chairman



For Lease

Hobbs, NM — 4100 N Lovington Hwy

4) **Communications from Citizens.**

There were no communications from citizens.

- 5) **Review and Consider front yard setback variance request for proposed development to be located adjacent to the Lovington Highway north of the Holiday Inn Express as submitted by Hawkins Companies, property owner. Lovington Highway is classified as a Major Arterial with a required setback of 40' from the property line; the proposed structure is requested to be located 20' from the property line requiring a 20' variance. (2nd Review)**

Mr. Robinson said this is a 2nd Review. He said in December the Hawkins Group brought a variance request for a single property which was Verizon. He said that property was denied a variance from the Planning Board. He said at a later date a variance for the entire project was brought back before the Planning Board and the variance was approved conditionally. He said there have been some changes since then and this is for the Verizon site only.

Mr. Brandon Waylon with the Hawking's group said he was here previously and asked for 3 variances. He said they had all of the property from the Holiday Inn to the proposed Magnolia Street under contract. He said they had a Real Estate Committee right after the approval of the 3 variances and they had 2 or the 3 tenants necessary to sign the lease and move forward. He said the 3rd lesser would not lease. He said they had a pending contract to purchase the land. He said they had to make a difficult decision not to buy at this time. He said they do still feel like that 3rd lesser will come around.

Mr. Waylon said they are in front of the Board again today asking for a variance that was approve at the last hearing but just for the one parcel. He said the hotel chose to setback above and beyond what the minimum setback is but they are a hotel. He said they are looking to accommodate the pad users.

Mr. Ramirez asked where the parking would be? Mr. Robinson said the parking will be in the back on the east side.

Mr. Penick arrived at the meeting at 10:28 am.

Ms. Andrea Weaver said she with the Holiday Inn Express. She said they are not opposed to development in itself but they are opposed to the variance for multiple reasons. She said when they originally submitted their plans for the Holiday Inn Express the plans were returned with argument saying there has to be a 40 foot setback. He said it is not something they chose. she said they were told that was for safety reasons. He said when their customers turn left out of the property they need that clearance. She said they did research on variances and variance should normally be based on a hardship. She said a variance should never be granted for financial reasons. She said it would affect the visibility of their hotel sign.

Mr. Sanderson asked Ms. Weaver if the Holiday Inn requested a variance? She said no a variance was not requested but they submitted plans and were told we had to change them.

Mr. Dwain Lackey said him and his wife own some of the property on Lovington Highway that was included in the sale. He said he is not opposed to the variance but he is upset that there is not a plan attached to this because the contract has been terminated. He said he is opposed to the variance without it having an attachment to the balance of the properties. He said he is opposed to granting a variance for a single parcel in this corridor unless the entire corridor is developed. Mr. Robinson said the first decision the Planning Board made was as a stand alone property a variance does not make sense in this location. Commissioner Buie said he has a safety and growth concern. He said that street will be widened sometime in the future. He said he is against the variance for the single property or the entire property.

Mr. Randall said the setback is really established for future planning today. He said the highway department was engaged to do a corridor study for SR18 because of concerns for future congestion. He said that entailed different ideas on how to control the congestion. He said the authority for access to SR18 is with the highway department and their setback is much less.

Mr. Sanderson asked why this property needed this variance. Mr. Waylon said the issue they had was there was six buildings along the frontage of Lovington Highway. He said four of them could be moved with no problem but two of them were so large they couldn't make them fit between the internal drive isle and the 40 foot setback. He said they would have had to move the drive isle closer to the inline stores which would have been a deal breaker. Mr. Waylon said they believe the current building that is there now probably blocks your building more than they would. He said he believes they would have increased visibility as people are coming in to town from Lovington. He said safety was brought up and the NMDOT said their standard is 12 feet. He said they are asking the Board to crack the door open because they are still hopeful that the entire property is going to develop.

Mr. Sanderson said his issue is this has come back to a single property and he has not heard a specific issue of why this property needs the variance. Mr. Kesner said from a variance issue there is the ability to grant the variances based on the list Mr. Robinson mentioned. He said there are others in the area that is currently set at the property line.

Mr. Robinson said parcel 1 and 2 will be developed conjunctively with parcel 1 serving as the access to parcel 2. Mr. Waylon said he appreciated their time.

Mr. Kesner made a motion to approve the variance. There was no second on the motion and the motion died for lack of second. Mr. Hicks told the developers they had the ability to appeal to City Commission.

- 6) Review and Consider a proposed subdivision creating a 1.3 acre Tract to contain an RV Park located north of Pilot on Goings Road and accompanying Development Agreement(s) for the development of Goings Road adjacent to the Tract. (2nd Review)

Mr. Robinson said this is the 2nd time this has come before the Board. He said the first time it was brought with completed development agreements. He said they were typical of what this board has seen before. He said primarily being the developer participating with the fair

Minor Variance Requests & Procedures (Setback Variances)

For **minor** variance requests to the **minimum front yard setback** and side yard setback dimensions **on Minor Residential Streets and Residential Collector Streets** for variances involving Attached Additions to Main Structure Including Carports, Extra Rooms, and Detached Accessory Buildings, Detached Carports, etc., the following variance procedure is established to address requests for variances to the Major Thoroughfare Plan.”

Note to the General Public: Each applicant should be aware of the restrictive covenants for the subdivision filing area where the proposed variance is located. All applicants should be made aware not to violate the respective covenants for their subdivision area.

Required Documents To Be Submitted:

1. Letter of application with signature(s) of the property owner requesting the variance with an explanation of the requested item with plans or a description if available, how the proposed improvement is designed, attached or detached, exterior materials, etc. The letter should state the dimensions of the proposed improvement within the setback and the proposed setback requested. The letter should also address the reasons for the request and why the variance is needed.
2. A Sketch Plan of the lot showing the existing improvements and the proposed new construction location. The plan should show the names of all contiguous and adjacent owners within 150 linear feet from the property line on both sides of the street. Notice is not necessary to adjacent parcels to the rear yard, unless a rear or side yard variance is requested. The applicant should obtain the names of record from the Lea County Assessor's Office and/or the City Planning Office.
3. A copy of the restrictive covenants for the subdivision filing area including the lot of the proposed variance, if any.
4. A signature sheet showing the names and **signatures of all owners of record within 150 linear feet of the property line.** If an applicant cannot acquire all of the necessary signatures, then the applicant must provide evidence of certified mail notification to out of town property owners.
5. Payment of the application fee for a variance request, if an application fee has been adopted by the City to address processing costs.

Initial Review By City Planning Division:

1. The City Planning Division shall conduct an initial review of all variance requests to the Major Thoroughfare Plan for variances to the front, side or rear setbacks for new carport construction. The factors to be reviewed by the Planning Division include the following considerations:

If granted, does the variance comply with the existing restrictive or protective covenants?

Do any similar structures exist in the “nearby vicinity” of the property line of the lot where the variance is proposed? “Nearby Vicinity” is hereby defined as within one entire

City block regardless of length in feet and including both sides of the street. Does the nearby vicinity include other carports that violate the restrictive covenants?

Are there any traffic safety or other safety considerations impacted by the granting of the variance?

Is there a need in the foreseeable future to acquire additional right-of-way at this location to widen the street?

In the case of a carport, is the structure "open wall" and of non-conspicuous design and appearance.

2. If the City Planning Division determines that the carport construction is consistent with existing development in the nearby vicinity of the property, a written variance shall be issued by the Planning Division to the property owner with a copy to the City Building Official indicating that a variance to the setback provisions has been granted. The Planning Division may approve a variance with conditional approval stating in writing the conditions of the approval. In making this determination, the Planning Division must consider the following:

- a) The property owners are aware of the existing protective covenants.
- b) The carport design and construction is consistent with existing development in the nearby vicinity of the property.
- c) No traffic safety or other safety considerations are created by the granting of the variance.
- d) The City will not need to acquire additional right-of-way at this location to widen the street in the foreseeable future.
- e) The carport design is "open wall" and of a non-conspicuous design and appearance.
- f) The use of the property is residential and not commercial.**
- g) No structure shall be permitted within five (5) feet of the front or side property line.
- h) A variance must not adversely impact neighboring property owners, and must not create any safety problems.

3. **If the Planning Division determines that a variance cannot be issued for any of the above reasons, the variance request must then be referred to the City Planning Board, and notification procedures for a hearing will be required.**

Notification and Public Notice Required:

1. **The City shall carry out property research and verify to the applicant the names and addresses of all property owners of record within 150 feet of the proposed variance. The City shall also post "Notice Signs" at the location of the intended action with the date of the hearing.**

2. **The City shall conduct a public hearing of the Planning Board with legal notice publication of the hearing to be published in the local newspaper.**

Policy Decisions To Be Considered By City Planning Board:

1. In considering whether to grant approval of a front setback or setback from the side yard or rear yard, **the Planning Board should determine the following:**

- a) If granted, does the variance comply with the existing protective covenants?
- b) Do any similar structures exist in the "nearby vicinity" of the property line of the lot

where the variance is proposed? **"Nearby Vicinity" is hereby defined as within one entire City block regardless of length in feet and including both sides of the street.**

c) Are there any traffic safety or other safety considerations impacted by the granting of the variance?

d) Is there a need in the foreseeable future to acquire additional right-of-way at this location to widen the street?

e) In the case of a carport, is the structure "open wall" and of non-conspicuous design and appearance.

f) Are there any commercial applications regarding the variance?

2. The Planning Board will consider if granting the variance will adversely affect the interest or rights of persons (both residential and businesses) in contiguous areas. Are there any benefits to the City that would result if the variance proposal is approved? The City must study if there are any negative impacts associated with the variance proposal.

3. **The Planning Board has the right to make subjective decisions to grant approval or to deny a variance based on the sole determination of the Planning Board, based on several factors including historical development trends, restrictive covenants, protest letters or comments, and other considerations. The Planning Board has the right to grant approval of variances to the front or side setbacks, even if neighboring property owners are protesting the proposals.**

4. The City should determine if additional right-of-way may be needed at this location in the future to widen the street.

5. **If a variance is granted, the following rules shall apply:**

a) All carports must be designed as "open wall" structures, and designed to be visually inconspicuous as much as possible. Any other structures to be approved with a setback variance with solid walls must be placed in such a manner to not impair traffic safety, to avoid negative impacts to the adjacent property owners, and to avoid any detrimental development that may detract from the nearby vicinity.

b) No structure shall be permitted within five (5) feet of the front or side property line.

c) A variance must not adversely impact neighboring property owners, and must not create any safety problems.

d) All adjacent property owners within 150 feet must have been notified by the applicant with signatures to be submitted. If all signatures cannot be obtained from nearby property owners, notice procedures also include notification with certified letters to be mailed for out of town property owners at least 10 days in advance of the date of the meeting for the proposed action.

e) All variance requests for commercial applications will be studied by the City staff and reported to the Planning Board. Traffic safety considerations and right-of-way requirements will be studied in depth.

f) No detached accessory buildings or walls in excess of 3' in height will be permitted in



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: April 17, 2017

SUBJECT: Amended Joint Powers Agreement- Lea County Communications Authority
DEPT. OF ORIGIN: Police Department
DATE SUBMITTED: April 6, 2017
SUBMITTED BY: Chris McCall, Chief of Police

Summary: Joint Powers Agreement (JPA) for the operation and management of the Lea County Communications Authority (LCCA) between the City of Hobbs and the County of Lea. This JPA is an updated agreement related to functions of the LCCA board and the responsibilities of all parties involved in the agreement.

Fiscal Impact: Remains 50/50 cost sharing

Reviewed By: [Signature]
Finance Department

Attachments:

1. Joint Powers Agreement for Consolidated Emergency Communications in Lea County

Legal Review:

Approved As To Form: [Signature]
City Attorney

Recommendation:

The City Commission approves the Joint Powers Agreement for operation of the Lea County Communications Authority.

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. _____

**AMENDED AND RESTATED
JOINT POWERS AGREEMENT
FOR CONSOLIDATED EMERGENCY COMMUNICATIONS IN LEA COUNTY**

THIS AMENDED AND RESTATED JOINT POWERS AGREEMENT amends the Joint Powers Agreement entered on _____ and approved by the Department of Finance and Administration on _____ by and between:

A. The City of Hobbs, New Mexico, a municipal corporation organized and existing under the laws of the State of New Mexico, acting by and through its duly constituted City Commission, hereinafter referred to as "CITY"; and

B. The County of Lea, a political subdivision of the State of New Mexico, acting by and through its duly constituted County Commission, hereinafter referred to as "COUNTY".

The intent of this Agreement is to further the public interest and protect the safety, health and welfare of the people of the City of Hobbs, New Mexico and Lea County, New Mexico and to define the role of the City of Hobbs and COUNTY in establishing a joint Emergency Communications Center, namely, the joint management and operations of an emergency communication district.

WHEREAS: City of Hobbs and COUNTY entered into an agreement to design, construct and operate a joint emergency communications and emergency operations center that resulted in the LCCA facility.

WHEREAS: The Joint Powers Agreements Act, NMSA 1978, Section 11-1-1, et (2009), and the Enhanced 911 Act, NMSA 1978, Section 63-9D-1 et (2005), allow City of Hobbs and COUNTY to enter into a Joint Powers Agreement for joint management and operation of an emergency communication district and to be reimbursed for cost of equipment necessary to provide Enhanced 911 services to City of Hobbs, and COUNTY.

THEREFORE, in consideration of the mutual covenants, conditions and stipulations herein contained, the parties hereto agree as follows:

1.0 GENERAL PROVISIONS

1.1 Pursuant to the provisions of the Joint Powers Agreements Act (NMSA 1978, Sections 11-1-1 through 11-1-7 (2009)) and the Enhanced 911 Act (NMSA 1978, Sections 63-9D-1 through 63-9D-11 (2005)), the parties agree that a separate legal entity known as the Lea County Communications Authority "AUTHORITY" shall be organized and empowered as set forth herein.

1.2 The parties agree that by execution of this Agreement they jointly and severally constitute, authorize and empower AUTHORITY as a separate entity, with full powers to enter into contracts, to sue and be sued, and otherwise do all things necessary to carry out the duties delegated hereunder.

1.3 The area to which the consolidated communication services shall be supplied shall be Lea County, New Mexico.

2.0 LOCATION, FINANCE, DESIGN, AND CONSTRUCTION OF THE CENTER

2.1 The City of Hobbs and COUNTY under this Joint Powers Agreement partnered in the planning and building of the facilities occupied by AUTHORITY.

2.2 The Facility is located at 3720 W. College Lane, Hobbs, NM, on a parcel of land approximately five (5) acres. City of Hobbs transferred the real estate by quit claim deed to AUTHORITY. The transfer was approved by the Department of Finance and Administration Local Government Division in accordance with NMSA 1978, Section 3-54-2(D) (1989). City of Hobbs received a credit against its obligations under this agreement for one-half the value of the land.

2.3 The Facility includes an Emergency Communications Center, a four (4) bay Hobbs Fire Department facility, a Lea County Sheriff's Substation, and an Emergency Operations Center.

2.4 COUNTY and CITY shared equally in the costs of the architecture/ planning and the construction of the Emergency Communications Center and the Emergency Operations Facility. COUNTY paid its prorated cost for the Lea County Sheriff's Substation. CITY paid its prorated cost for the Hobbs Fire Department facility.

2.5 COUNTY and City of Hobbs shall pay one (1) dollar per year for the lease of their respective facilities for the duration of this agreement.

3.0 POWERS OF AUTHORITY

3.1 AUTHORITY shall be empowered and authorized to:

3.1.1 Establish and operate a Consolidated Communication Center to provide emergency and law enforcement communications for the County and the Municipalities.

3.1.2 Exercise the rights and powers granted to a "local governing body" under the Enhanced 911 Act.

3.1.3 Administer the funds provided for Enhanced 911 services by the Enhanced 911 Act. Money received from the Enhanced 911 fund shall be spent in accordance with rules adopted by the Local Government Division of the Department of Finance and Administration.

3.2 In addition, AUTHORITY may do any other act as may be necessary to provide effective and efficient emergency and law enforcement communications; including, but not limited to, the contracting with equipment vendors and service suppliers for the purpose of obtaining the benefit of technological developments which AUTHORITY deems necessary to improve or enhance the quality and efficiency of service to be rendered hereunder.

3.3 AUTHORITY may enter into contracts with other governmental public safety agencies to provide communication services at a cost to be determined by AUTHORITY.

4.0 GOVERNING BOARD

4.1 The Governing Board ("Board" or "Members" hereinafter) shall consist of seven Members. Six of the Members shall be the following:

- A. Hobbs City Manager, or his designee;
- B. Lea County Manager, or his designee;
- C. Chief of the Hobbs Police Department, or his designee;
- D. The Lea County Sheriff, or his designee;
- E. Hobbs Fire Chief, or his designee;
- F. Lea County Emergency Manager, or his designee.
- G. The seventh Member shall be appointed by the majority of the other Members of the Board and shall be a certified peace officer employed by either the Lea County Sheriff's Department or Hobbs Police Department on a 2-year rotating basis; this Member shall serve a two-year term and shall not be eligible for re-appointment until at least two (2) years have elapsed since the last day of the previous 2-year appointment; the first such appointment shall be made for a two-year term commencing January 1, 2015, and this member shall be a Lea County Sheriff's employee; for the two-year term commencing January 1, 2017, this Member shall be employed by the Hobbs Police Department; thereafter the two-year membership shall rotate between the Lea County Sheriff's Department and the Hobbs Police Department employees.

Each board member may designate a proxy to vote on their behalf in their absence. The member that will be absent shall email the chair prior to the board meeting to advise who he/she will be sending in his/her place for the proxy.

4.1.1 The Chair will set the agenda, any board member has the authority to add items to the agenda through the Chair.

4.1.2 The Chair or any four (4) board members have the authority to call for a special meeting when necessary.

4.1.3 The Chair or any four (4) board members may call for an emergency meeting. "Emergency" refers to unforeseen circumstances that, if not addressed immediately by the board, will likely result in injury or damage to persons or property or substantial financial loss to the public body.

4.1.4 When either a special meeting or an emergency meeting is called, notice should be made as soon as possible to the Chair and the Director.

4.2 All powers of AUTHORITY shall be exercised by or under the authority of, and the business and affairs of AUTHORITY shall be managed under the direction of the Board. The Board may adopt By-Laws and Rules and Regulations as it deems necessary to conduct the affairs of AUTHORITY.

4.3 The term of office for Members of the Board shall be indefinite. All Members of the Board shall serve at the pleasure of the entity that appointed them and they may be replaced at any time by formal action of their appointing entity. All Members shall serve until a successor has been appointed and formally taken office. In the event of the death or resignation of a Member, or three consecutive absences from duly called meetings, the entity that appointed the Member shall thereupon appoint a Member to replace the vacated position.

4.4 The Board shall elect one of its Members as Chairman, one Member as Vice-Chairman, and one Member as Secretary. Officers shall be elected every two years. A special election shall be held if there is a vacancy in an office prior to the expiration of a regular term of office. Add every 2 years after said member takes office then vote for chairman.

4.5 In the event a party terminates its participation in this Agreement, the size of the Board shall be reduced by the number of Members the terminating party has the right to appoint pursuant to this Agreement. In the event an additional party is added to this Agreement, the size of the Board shall be increased by the number of Members the additional party has the right to appoint under the conditions of admission to this Agreement as determined by the existing Board.

5.0 FINANCES

5.1 Financial Contributions: Pursuant to NMSA 1978, Section 11-1-4(B) (1961) of the JPA Act, contributions from the funds of the parties may be made for the purposes set forth herein and may be made to defray the costs of this Agreement. Unless other parties are added to this agreement or as otherwise provided in this Agreement, COUNTY and City of Hobbs shall each provide fifty percent (50%) of the funds that are necessary for administrative and operational expenses that are routine expenses to run LCCA.

5.2 COUNTY shall be the fiscal agent for AUTHORITY.

5.2.1 As fiscal Agent the COUNTY shall manage all revenues, maintain all accounts and receive and disburse all funds on behalf of AUTHORITY.

5.2.2 As provided in NMSA 1978, Section 11-1-4 (2009), COUNTY shall be strictly accountable for all receipts and disbursements, and shall maintain adequate, complete and correct records and statements pertaining to receipts, disbursements, and other financial matters pertaining to AUTHORITY.

5.3 While it is not anticipated that any profits will be generated under this Agreement, any revenues remaining after payment of all necessary and legitimate costs of operation shall be placed into a special account managed by the Governing Board to be used for future projects.

5.4 Members representing a majority of the Board shall, not later than 90 days prior to the end of each Fiscal Year of AUTHORITY, recommend to the County a budget for the next Fiscal Year of AUTHORITY, subject to the approval of the governing body of each of the Constituents. The County shall always have ultimate authority to adopt the final annual budget of AUTHORITY.

6.0 RECORDS; REPORTING TO MEMBERS

6.1 Books and Records.

6.1.1 The books and records of AUTHORITY shall be kept in accordance with the accounting methods required for municipalities and counties under New Mexico law.

6.1.2 The books and records of AUTHORITY shall be open to inspection in accordance with the requirements of New Mexico law.

6.2 Reports: The Board shall prepare and present such reports as may be required by law, regulation or contract to any governmental agency, and shall also render to the Members such reports and accounting as the parties hereto may reasonably request.

7.0 ORGANIZATION AND MANAGEMENT

7.1 An Executive Director ("Director" hereinafter) shall be appointed by COUNTY, upon the recommendation of the Board. The Director shall be an at-will employee of COUNTY, but shall report directly to the Board. The Director may be removed upon the recommendation of the Board with the concurrence of COUNTY.

7.2 The Director shall be responsible for the day-to-day operation and management of AUTHORITY. The Director's duties shall include, but shall not be limited to, the following:

- A. Supervising, disciplining, training, and managing employees;
- B. Maintaining contact with all agencies utilizing the Communications Center;
- C. Reporting monthly to COUNTY and the Board on matters related to management and finances, including the budget, operations, and equipment associated with the operations;
- D. Preparing an annual budget and submitting it to the Board for consideration and approval prior to its submission to the Constituents' governing bodies for approval and then to COUNTY for final approval;
- E. Delegating and performing such other functions as may be reasonably necessary for operations;
- F. Overseeing and directing the maintenance of the facilities and equipment; and
- G. Managing the budget.

7.3 All AUTHORITY employees shall be employees of COUNTY, and shall be subject to the personnel rules and regulations of COUNTY and the standards, policies, procedures and guidelines for the operation of AUTHORITY generally.

8.0 OPERATING EQUIPMENT AND ACCESS TO COMMUNICATIONS SYSTEMS

8.1 Each entity shall be responsible for acquiring, maintaining and replacing its own field and in-house equipment used to communicate with the communications center.

8.2 Each using agency shall have the responsibility of maintaining security on its own files.

8.3 Any major change to the records system shall be approved by all parties to this Agreement. If a major change to the records system will benefit all parties, payment for that upgrade shall be divided among the using agencies based upon the number of service calls for each agency during the previous year. If a major change will benefit only one agency, that agency shall be responsible for the cost of the upgrade.

9.0 INDEMNIFICATION AND INSURANCE

9.1 Indemnification of Governing Board Members and Officers: AUTHORITY shall, to the fullest extent and in the manner permitted by applicable law, indemnify each Governing Board Member and each officer against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding, arising by reason of the fact that such Person is or was a Member or officer. For purposes of this Article "proceeding" means any threatened, pending or

completed action, suit or process, whether civil, criminal, administrative or investigative and whether formal or informal.

9.2 Liability: Any privileges and immunities from liability, exemptions from laws, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activity of officers, agents or employees of any of the parties to this Agreement when performing their respective functions within the territorial limits of their respective public agencies, shall apply to them to the same extent while engaged in the performance of any of their functions and duties extraterritorially under the provisions of the Joint Powers Agreements Act, NMSA 1978, Sections 11-1-1 to 11-1-7 (2009).

9.3 Third Party Beneficiary: The Parties to this Agreement do not and do not intend to create in the public, any member thereof, or any person, any rights whatsoever such as, but not limited to, the rights of a third-party beneficiary, or to authorize anyone not a party to this Agreement to maintain any suit for any claim whatsoever pursuant to the provisions of this Agreement.

9.4 Insurance: The Governing Board shall obtain and carry public liability insurance coverage (including members and officer's coverage) consistent with its responsibilities as a public entity under the New Mexico Tort Claims Act, NMSA 1978, Section 41-4-1 et seq. (2009) and with combined single limits of no less than \$1,000,000. The expense of obtaining and maintaining the required insurance shall be included in the annual budget of the Governing Board. The insurance shall be maintained in full force and effect throughout the duration of this Agreement. A copy of any insurance policy shall be provided to any party at the party's request.

9.5 By entering into this Agreement, none of the parties 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 the immunities and limitations of the New Mexico Tort Claims Act, NMSA 1978, Section 41-4-1 et seq. (2009). This paragraph is intended only to define the liabilities between the parties hereto and is not intended to modify, in any way, the parties' liabilities as governed by federal, state, local, or common law and the New Mexico Tort Claims Act. The parties and their "public employees" as defined in the New Mexico Tort Claims Act, do not waive sovereign immunity, do not waive any defense, and do not waive any limitation of liability pursuant to law. No provision in this Agreement modifies or waives any provision of the New Mexico Tort Claims Act.

10.0 TERMINATION OF AGREEMENT

10.1 This Agreement shall continue in full force and effect, subject to amendments, until terminated by COUNTY and CITY.

10.1.1 Upon termination of this Agreement, the powers granted to COUNTY and the Board under this Agreement shall continue to the extent necessary to make an effective disposition of the property.

10.1.2 Upon termination of this Agreement, all personal property, or surplus money owned or held by AUTHORITY shall be transferred to the Constituents in proportion to their respective contributions. However any equipment paid from State Enhanced 911 funds shall become the property of COUNTY.

10.2 Withdrawal of Member.

10.2.1 Any Constituent may withdraw from this agreement by giving 120 days prior written notice to the other parties to this Agreement.

10.2.2 The withdrawal of any one Constituent to this Agreement shall not terminate this Agreement. The withdrawn Constituent waives any and all rights to property, funds, or any other rights under this Agreement.

10.2.3 Any withdrawal or termination of the Agreement by a Constituent shall not affect any liabilities, obligations, financial or otherwise, incurred by such Constituent under this agreement prior to the notice of withdrawal.

10.3 In the event the emergency communications center ceases to operate at the facility, all other COUNTY and CITY activities at the facility may continue to operate from the facility and the pro-rated costs of operation shall be shared between COUNTY and CITY.

11.0 MISCELLANEOUS

11.1 Amendments. This Agreement may be amended in writing, executed by all of the then parties thereto, and effective when approved by the Department of Finance and Administration.

11.2 Further Acts. Each Constituent agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform each and all of the terms, provisions, and conditions of this Agreement and the transactions contemplated hereby.

11.3 Complete Agreement. This Agreement and the Articles constitute the complete and exclusive statement of agreement among the Constituents with respect to the subject matter herein and therein and replace and supersede all prior written and oral agreements or statements by and among the Constituents or any of them. No representation, statement, condition or warranty not contained in this Agreement or the Articles will be binding on the Constituents or have any force or effect whatsoever.

11.4 Rules of Construction; Statutory References. Whenever in this Agreement the context so suggests, references to the masculine shall be deemed to include the feminine, references to the singular shall be deemed to include the plural, and references to "or" shall be deemed to be disjunctive but not necessarily exclusive. Any reference to the Act, NMAC, or other statutes or laws will include all amendments, modifications, or replacements of the specific sections and provisions concerned.

11.5 Headings. All headings herein are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.

11.6 Exhibits. All exhibits attached to this Agreement are incorporated and shall be treated as if set forth herein.

11.7 Severability. If any provision of this Agreement or the application of such provision to any Party or circumstance shall be held invalid, the remainder of this Agreement or the application of such provision to Parties or circumstances other than those to which it is held invalid shall not be affected thereby.

12.8 Reliance on Authority of Person Signing Agreement. Neither COUNTY nor any other Constituent will be required to determine the authority of any individual signing this Agreement on behalf of such entity to make any commitment or undertaking on behalf of such entity or to determine any fact or circumstance bearing upon the existence of the authority of such individual.

11.9 Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

11.10 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico.

IN WITNESS WHEREOF, we have hereunto affixed our hands and seals this _____ day of _____, 2017

CITY OF HOBBS

BOARD OF COUNTY COMMISSIONERS

By: _____
Mayor

By: _____
Chairman

ATTEST: Hobbs City Clerk

ATTEST: Lea County Clerk

By: _____

By: _____

Approved:
Department of Finance and Administration

By: _____

Date: _____



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: April 17th, 2017

SUBJECT: (ADOPTION) AN ORDINANCE REPEALING CHAPTER 3.20 OF THE HOBBS MUNICIPAL CODE AND ENACTING A NEW CHAPTER 3.20 ESTABLISHING A REVISED CITY PROCUREMENT POLICY

DEPT. OF ORIGIN: Finance Department
DATE SUBMITTED: 04-12-17
SUBMITTED BY: Toby Spears, Finance Director

Summary:

The City of Hobbs is a "home rule charter" government who enacts its own procurement ordinance. The City of Hobbs adopted the home rule procurement ordinance # 1080 on November 7th, 2014. The City of Hobbs needs to repeal and replace its ordinance to incorporate additional processes and procedures for guidance on procurement. The following is a list of the proposed changes:

- 1) Changes the evaluation criteria for non-qualification based RFP's requiring a minimum cost factor of 20%
- 2) Requires all proposers and bidders to sign 1) an affidavit of non-collusion 2) a related party form disclosing any financial interest with the City of Hobbs and 3) a debarment certificate disclosing any debarment from the State of NM, Federal Government or the City of Hobbs (forms are attached)
- 3) Adds additional language on multi-year contracts requiring task orders to be evaluated and justified by a department head committee
- 4) Adds language to professional service contracts between \$20,000 and \$60,000 thresholds requiring three written quotes with justification (when applicable)
- 5) Changes language of purchases from elected officials or employees to the City of Hobbs shall follow the NM Governmental Conduct Act as it relates to purchases from elected officials or employees. The changes also enact SECTION XII Procedures for related party expenditures requiring City of Hobbs employees and elected officials to submit an employee financial disclosure form. (see attached)
- 6) Changes Section IV on public works contracts
- 7) Changes Section VI of the fixed asset policy adding additional language on definitions, procedures for auctions, annexing and donations of property
- 8) Changes procedures for receiving on a purchase order requiring scanning of receiving documents within the electronic accounting software (when applicable)
- 9) Updates veteran resident bidders/proposer preferences

Fiscal Impact:

Reviewed By: _____

[Signature]
Finance Department

No changes are anticipated with the passage of this proposed ordinance

Attachments: Ordinance
Affidavit of non-collusion
Bidder/Proposer related party financial disclosure form
Employee financial disclosure form
Debarment certificate

Legal Review:

Approved As To Form: _____

[Signature]
City Attorney

Recommendation:

Staff recommends approval of the Adoption of the Ordinance

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: _____
File No. _____

Denied

PROCUREMENT POLICY ORDINANCE



EFFECTIVE DATE: 5/1/17

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CITY OF HOBBS

ORDINANCE NO. 1101

ORDINANCE ESTABLISHING A
CITY PROCUREMENT POLICY

BE IT HEREBY ORDAINED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that:

Chapter 3.20 of the Hobbs Municipal Code is hereby enacted to read as follows:

SECTION I GENERAL PROVISIONS

- 1.1 **OBJECTIVE** - The objective of this policy is to guide City of Hobbs employees in the legal steps required to purchase quality materials and services needed at competitive prices in accordance with regulations set forth by the Hobbs City Commission and the State of New Mexico.
- 1.2 **ADMINISTRATION** - The City of Hobbs Central Purchasing Office (CPO) staff are charged with the responsibility of procuring all materials and services effectively and efficiently. The City Manager and CPO shall have the responsibility and authority to insure that all provisions of the law and this policy are followed and shall be authorized to issue any supplement consistent with this policy deemed necessary to administer, manage or clarify this policy. Supplements shall be approved by the City Manager and copies of all supplements shall be attached to and made a part of this policy. The CPO shall be responsible for having the knowledge to insure that all provisions of this policy and all other purchasing concerns and activities of the City of Hobbs are appropriate and consistent with the most current, generally accepted purchasing techniques, and all provisions of the law. CPO personnel are available to answer any questions concerning the methods and policies regarding procurement of materials and services.
- 1.3 **SCOPE** - Except as otherwise provided, this procurement policy applies to every expenditure by the City of Hobbs for the procurement of items of tangible personal property, services and construction (13-1-30 NMSA 1978).
- 1.4 **CONSISTENCY WITH STATE PROCUREMENT CODE** - The provisions of this policy are subject to change as per State Procurement Code revisions. Any revision thereof that is inconsistent with the provisions of this policy shall control. All purchase users shall be given a copy of such revisions and notified that they are in effect.
- 1.5 **UNAUTHORIZED PURCHASES** - Any purchase which does not substantially comply with the provisions of this policy shall be considered an unauthorized purchase. Any individual initiating any unauthorized purchase may be subject to disciplinary action and may be held solely responsible for payment.

- 1.6 APPROVAL OF UNAUTHORIZED PURCHASES - All purchases determined to be an unauthorized purchase shall be considered by the City of Hobbs Finance Director, who will make a recommendation to the City Manager to approve or not approve an unauthorized purchase for payment. Unauthorized purchases shall not be processed for payment prior to City Manager approval. The City Manager will make a determination, based on the facts and circumstances of each case, of whether or not to pay for any unauthorized purchase.
- 1.7 CIVIL PENALTIES - Persons knowingly violating the State Procurement code, or this policy based on State law, may be subjected to a penalty not to exceed \$1,000 per occurrence (13-1-196 NMSA 1978).

Items not specifically identified in this policy are regulated by Chapter 13 NMSA 1978.

SECTION II DEFINITIONS

- 2.1 AUTHORIZED DEPARTMENT EMPLOYEES - Authorized department employees are designated and authorized by each Department Head to approve purchases within their department.
- 2.2 CENTRAL PURCHASING OFFICE (CPO) - The Central Purchasing Office(CPO) is defined as the Finance Department and other departmental staff assigned or delegated the responsibility to ensure compliance with the City of Hobbs procurement policy for all purchases. The CPO personnel are responsible to verify that each expenditure is coded to the proper account, and that each expenditure is allowable considering the budget as adopted by the City Commission with amendments.
- 2.3 INVITATION FOR BIDS (IFB) - Invitation for bids means all documents, including those attached or incorporated by reference, utilized for soliciting sealed bids.
- 2.4 MULTI-TERM CONTRACT - "Multi-term contract" means a contract having a term longer than one year.
- 2.5 PURCHASE ORDER - Purchase order means the document issued by the central purchasing office which directs a contractor to delivery items of tangible personal property, services or construction pursuant to an existing contract.
- 2.6 PURCHASE REQUEST - Purchase request means the document by which a using department or division requests that a contract be obtained for a specified service, construction or item of tangible personal property and may include but is not limited to the technical description of the requested item, delivery schedule, transportation requirements, suggested sources of supply and supporting information.
- 2.7 REQUEST FOR PROPOSAL (RFP) - Request for proposal means all documents, including those attached or incorporated by reference, used for soliciting proposals.
- 2.8 PUBLIC WORKS CONTRACTS - Public Works means a construction project of the City of Hobbs, to construct, repair, alter or extend an improvement on real property or to improve real property owned, used or leased by the City of Hobbs.
- 2.9 TOTAL COST - Total cost of the materials or services required is defined as all costs associated with the purchase, including shipping and any applicable taxes.
- 2.10 CONTRACT MODIFICATION (AMENDMENT) - Any written alteration in the provisions of a contract accomplished by mutual action of the parties to the contract.
- 2.11 INDEFINITE QUANTITY CONTRACT - "Indefinite quantity contract" means a contract which requires the contractor to furnish an indeterminate quantity of specified services, items of tangible personal property or construction during a prescribed period of time at a definite unit price or at a specified discount from list or catalogue prices.
- 2.12 COOPERATIVE PROCUREMENT - "Cooperative procurement" means procurement conducted by or on behalf of more than one state agency or local public body, or by a

state agency or local public body with an external procurement unit. This also means purchasing agreements when the agreement has been evaluated through a formal bidding process. (Examples: Cooperative Educational Services, HGAC)

- 2.13 CHANGE ORDER – “Change order” means a written order signed and issued by a procurement officer directing the contractor to make changes which the changes clause of the contract authorizes the procurement officer to order with or without the consent of the contractor.
- 2.14 TASK ORDER - “Task order” means a written contract associated with a multi-award RFP or Bid.
- 2.15 CONSTRUCTION MANAGEMENT AND CONSTRUCTION MANAGER – “Construction management” means consulting services related to the process of management applied to a public works project for any duration from conception to completion of the project for the purpose of controlling time, cost and quality of the project. “Construction manager” means a person who acts as an agent for the City of Hobbs for construction management, for whom the City of Hobbs shall assume all the risks and responsibilities.
- 2.16 CONSTRUCTION MANAGER AT RISK – “construction manager at risk” means a person who, pursuant to a contract with a governing body, provides the preconstruction services and construction management required in a construction manager at risk delivery method.
- 2.17 CONSTRUCTION MANAGER AT RISK DELIVERY METHOD – construction manager at risk delivery method means a construction method for the City of Hobbs wherein a construction manager at risk provides a range of preconstruction services and construction management, including cost estimation and consultation regarding the design of the building project, preparation and coordination of bid packages, scheduling, cost control, value engineering and, while acting as the general contractor during construction, detailing the trade contractor scope of work, holding the trade contracts and other subcontracts, prequalifying the evaluating trade contractors and subcontractors and providing management and construction services, all at a guaranteed maximum price for which the construction manager at risk is financially responsible.
- 2.18 LEASE OPTIONS AND LEASE PURCHASE OPTIONS FOR TANGIBLE EQUIPMENT – lease option means an operating lease for acquiring tangible equipment and lease purchase options means a capital lease for acquiring tangible equipment. The City of Hobbs can enter into either an operating lease or a capital lease in acquiring tangible equipment. Thresholds still apply as to the total value of the leased asset. All lease agreements valued at under \$60,000 must be signed by the City Manager or designee. All lease agreements with tangible equipment valued at over \$60,000 must be processed through bidding, request for proposal, gsa, or cooperative purchasing and be approved by the City Commission.
- 2.19 EXEMPTIONS – means any merchandise for resale is exempt from the bidding and request for proposal process.

3.20.040 SECTION III PURCHASING POLICIES

- A CERTIFICATES OF INSURANCE - Vendors must provide a certificate of insurance to the CPO, or have a certificate on file with the City Clerk's office prior to any purchase that includes labor exceeding \$20,000. The Certificate of Insurance shall include all general liability, auto liability, and worker's compensation coverage as required by the CPO. Certificates of insurance may also be required for other purchases as deemed necessary.
- B Certification of Procurement Officer. The City of Hobbs is required to maintain a Certified Public Accountant within the Finance Department. The certification of a procurement officer is optional as it relates to the City of Hobbs Certified Public Accountant status.
- C COMPETITIVE SEALED PROPOSALS (Request for Proposal) - When the City of Hobbs requires competitive sealed proposals, the entire proposal document must be reviewed and approved by the Department Head originating the proposal, CPO, City Attorney, and City Manager. Additional department staff may be required to review the proposal document. Notice of proposals must clearly identify the City of Hobbs, FINANCE DEPARTMENT, 200 E. Broadway, Hobbs, NM 88240 as the location and time for submittal.
1. Public notices must be published at least ten (10) calendar days prior to the deadline for submission and posted to the City of Hobbs website. (13-1-113 NMSA 1978). Proposals will not be opened prior to the scheduled deadline for submission. Proposals are not publicly opened.
 2. After the deadline for submission, proposals will be evaluated based on the evaluation criteria set forth in the proposal document, by an evaluation committee designated by the City Manager or his designee (13-1-114 NMSA 1978). **A minimum of 20% cost factor must be included in the evaluation criteria. (Note: only on non-qualification based proposals will the minimum cost factor be applied.)**
 3. Any negotiations will be conducted by the City Manager or his designee. Negotiations may be conducted with responsible offeror who submit proposals found to be reasonably likely to be selected for award (13-1-115 NMSA 1978, 1997 Repl.). The contents of any proposal shall not be disclosed so as to be available to competing offeror during the negotiation process (13-1-116 NMSA 1978).
 4. After award, all proposals are subject to the "Inspection of Public Records Act" (14-2-1 through 14-2-12 NMSA 1978).
 5. Proposals that are rejected and never awarded are not subject to the Inspection of Public Records Act (14-2-1 through 14-2-12 NMSA 1978).
 6. In addition to the requirements above, proposals for the services of architects,

engineers, landscape architects and surveyors must also comply with Sections 13-1-120 through 13-1-124 NMSA 1978 (Section 13-1-115 NMSA 1978).

7. If federal grant revenues are associated with a proposal, the proposal must contain language as it relates to the specific federal grant guidelines.
8. All Proposers shall be required to sign an affidavit attesting that collusion has not occurred.
9. All Proposers shall be required to sign a Related Party form, disclosing any financial interest the Proposer may have with the City of Hobbs.
10. All Proposers shall be required to sign a Debarment Certificate disclosing any debarment from the State of New Mexico, Federal Government and or the City of Hobbs.

3.2.1 CONSTRUCTION MANAGER AT RISK DELIVERY METHOD

- A. Construction manager at risk delivery method authorized; multiphase selections procedure.
 1. A construction manager at risk delivery method may be used when the City Commission or designee determines that it is in its interest to use that method on a specific project, provided that the construction manager at risk shall be selected pursuant to the provisions described of this section.
 2. The City Commission or designee shall form a selection committee of at least three members with at least one member being an architect or engineer. The selection committee shall develop an evaluation process, including a multiphase procedure consisting of three steps. The three step process shall consist of a request for qualifications, a request for proposals and an interview.
 - a. A request for qualifications shall be published and shall include at a minimum the following:
 - b. A statement of the minimum qualifications for the construction manager at risk, including the requirements for:
 - c. A contractor's license for the type of work to be performed, issued pursuant to the Construction Industries Licensing Act
 - d. Registration pursuant to 13-4-13.1 NMSA 1978; and
 - e. A minimum bond capacity;
 - f. A statement of the scope of work to be performed, including;
 - g. The location of the project and the total amount of money available for the project
 - h. A proposed schedule, including a deadline for submission of the statements of qualification
 - i. Specific project requirements and deliverables;
 - j. The composition of the selection committee;
 - k. A description of the process the selection committee shall use to evaluate qualifications;
 - l. A proposed contract; and
 - m. A detailed statement of the relationships and obligations of all parties, including the construction manager at risk, agents of the City Commission

- or designee, such as an architect or engineer;
 - n. A verification of the maximum allowable construction cost; and
 - o. A request for a proposal bond as required by Section 13-1-146 NMSA 1978.
 - p. All Proposers shall be required to sign an affidavit attesting that collusion has not occurred.
 - q. All Proposers shall be required to sign a Related Party form, disclosing any financial interest the Proposer may have with the City of Hobbs.
 - r. All Proposers shall be required to sign a Debarment Certificate disclosing any debarment from the State of New Mexico, Federal Government and or the City of Hobbs.
3. The selection committee shall evaluate the statements of qualifications submitted and determine the offerors that qualify for the construction manager at risk. The committee shall issue a request for proposal to the offerors that qualify.
 4. The selection committee shall issue a request for proposal and evaluate the proposals pursuant to Sections 13-1-112 through 13-1-117 NMSA 1978 except that:
 - a. the request for proposals shall be sent only to those determined to be qualified.
 - b. the selection committee shall evaluate the proposals and conduct interviews with up to three of the highest-ranked offerors instead of negotiating with responsible offerors found to be reasonably likely to be selected; and
 5. After conducting interviews with the highest-ranked offerors and after considering the factors listed in this section, the selection committee shall recommend to the City Commission the offeror that will be most advantageous to the City of Hobbs. Should the City Commission or designee be unable to negotiate a satisfactory contract with the offeror considered to be the most qualified at a price determined to be fair and reasonable, negotiations with that offeror shall be formally terminated. The City Commission or designee shall then undertake negotiations with the second most qualified offeror. Failing accord with the second most qualified offeror, the City Commission or designee shall formally terminate negotiations with the offeror. The City Commission or designee shall then undertake negotiations with the third most qualified offeror. Should the governing body or designee be unable to negotiate a contract with any of the offerors selected by the committee, additional offerors shall be ranked in order of their qualifications and the City of Hobbs or designee shall continue negotiations in accordance with this section until a contract is signed with a qualified offeror or the procurement process is terminated and a new request for proposal is initiated.
 6. In evaluating and ranking statements of qualifications, proposals and results of interviews, and in the final recommendations of a construction manager at risk, the selection committee shall consider:
 - a. the offer's experience with construction of similar types of projects;

- b. the qualifications and experience of the offeror's personnel and consultants and the role of each in the project;
- c. the plan for management actions to be undertaken on the project, including services to be rendered in connection with safety and the safety plan for the project;
- d. the offeror's experience with the construction manager at risk method; and
- e. all other selection criteria, as stated in the request for qualifications and the request for proposals.

7. Nothing in this section precludes the selection committee from recommending the termination of the selection procedure and repeating the selection process pursuant to this section. Any material received by the selection committee in response to a solicitation that is terminated shall not be disclosed so as to be available to competing offerors.

8. After a contract is awarded, the selection committee shall make the names of all offerors and the names of all offerors selected for interview available for public inspection along with the selection committee's final ranking and evaluation scores. Offerors who were interviewed but not selected for contract award shall be notified in writing within fifteen days of the award.

B. Responsibilities of construction manager at risk following award of project.

1. The contract with the construction manager at risk shall specify:

- a. the guaranteed maximum price; and
- b. the percentage of the guaranteed price that the construction manager at risk will perform with its own work force.

2. The construction manager at risk, in cooperation with the City Commission or designee, shall seek to develop subcontractor interest in the project and shall furnish to the City Commission or designee and any architect or engineer representing the City Commission or designee a list of subcontractors who state in writing that they are a responsible bidder or a responsible offeror, including suppliers who are to furnish materials or equipment fabricated to a special design and from whom proposals or bids will be requested for each principal portion of the project. The governing body and its architect or engineer shall promptly reply in writing to the construction manager at risk if the governing body, architect or engineer knows of any objection to a listed subcontractor or supplier, provided that the receipt of the list shall not require the City Commission or designee, architect or engineer to investigate the qualifications of proposed subcontractors or suppliers, nor shall it waive the right of the City Commission or designee, architect or engineer later to object to or reject any proposed subcontractor or supplier.

3. The construction manager at risk shall:

- a. conduct pre-bid or pre-proposal meetings;
- b. advise the City Commission or designee about bidding or proposals;
- c. enter into contracts; (only on City Commission approval) and
- d. assist the City Commission or designee in evaluating submissions by responsible bidders and offerors.

3.3 COMPETITIVE SEALED BIDS (Invitation for Bids) - When the City of Hobbs requires

sealed bids, the entire bid document must be reviewed and approved by the Department Head originating the bid, CPO, City Attorney, and City Manager. Additional department staff may be required to review the bid document. Notice of bids must clearly identify the City of Hobbs, FINANCE DEPARTMENT, 200 E. Broadway, Hobbs, NM 88240 as the location and time for submittal.

- A. Public notice must be published at least ten (10) calendar days prior to the scheduled bid opening and posted to the City of Hobbs website. (13-1-104 NMSA 1978). Bids will not be opened prior to the scheduled bid opening. All bids shall be opened publicly in the presence of one or more witnesses. (13-1-107 NMSA 1978). Award shall be made to the lowest responsible bidder. The City reserves the right to waive technicalities and accept the bid deemed to be in the best interest of the City.
- B. Price negotiations can be conducted in order to avoid rejection of all bids only if the lowest responsible bid has otherwise qualified, and if there is no change in the original terms and conditions, if the lowest bid was up to ten percent higher than budgeted project funds. (Section 13-1-105 NMSA 1978).
- B. All bids are subject to the Inspection of Public Records Act" (14-2-1 through 14-2-12 NMSA 1978).
- C. Addendums to bids must be disclosed by the CPO within 24 hours of prior bid opening date.
- D. If federal grant revenues are associated with a bid, the bid must contain language as it relates to the specific federal grant guidelines.
- E. All Proposers shall be required to sign an affidavit attesting that collusion has not occurred
- F. All Proposers shall be required to sign a Related Party form, disclosing any financial interest the Proposer may have with the City of Hobbs
- G. All Proposers shall be required to sign a Debarment Certificate disclosing any debarment from the State of New Mexico, Federal Government and or the City of Hobbs

3.4 EXPENDITURE CATEGORIES - The following policies are to be applied by the CPO for all expenditures of the City of Hobbs. The application of the policy is based on the appropriate cost category that each purchase fits into; as well as the additional requirements for public works contracts, see section IV; and miscellaneous purchases, see section V.

- A. Category #1-Total cost is less than \$20,000
Price quotes for these purchases are required, however a good faith effort must be made to acquire the materials or services at the best obtainable price. All departments can purchase services, construction or items of tangible personal property having a value not exceeding twenty thousand dollars (\$20,000) by

issuing a direct small purchase order. (Note: all purchase requisitions must have a quote before a conversion to a purchase order) Purchases made in this category must obtain prior approval from an authorized department employee.

- B. Category #2-Total cost is more than \$20,000, but less than \$60,000
Purchase of services, construction or items of tangible personal property having a value not exceeding sixty thousand dollars, (\$60,000) are accomplished by obtaining three written quotes. The quotes will be turned in to the CPO with a quote/purchase request form for issuance of a purchase order. Purchases made in this category must obtain prior approval from an authorized department employee.
- C. Category #3-Total cost is more than \$60,000
Purchases of services, construction or items of tangible personal property in this category must be procured using formal sealed bids or competitive sealed proposals through the CPO. Only the CPO can distribute bid and proposal documents, maintain an approved bidder list, or issue any addendum to bids or proposals. Purchases made in this category must obtain prior approval from the Department Head and approved by the City Manager and City Commission.

Purchases are not to be artificially divided to shift the classification of the purchase into an inappropriate expenditure category. Violation of this policy is subject to possible disciplinary action as defined in the personnel policy.

3.5 FREIGHT DESIGNATIONS - The City of Hobbs will not accept title of any goods until they are received by an agent of the City of Hobbs (13-1-157, 13-1-158 NMSA 1978).

H. The shipping terms of all purchases made by the City of Hobbs must be F.O.B. destination or F.O.B. destination, freight prepaid by the vendor.

I. In most instances, the City of Hobbs will not prepay freight on any purchases. The CPO will make an assessment of the facts and circumstances, and determine if pre-payment of freight is the only available means of purchasing the goods in the best interest of the City of Hobbs.

3.6 GROSS RECEIPTS TAX - In accordance with state law, the City of Hobbs is responsible to pay New Mexico gross receipts tax on all payments for labor (7-9-1 through 7-9-85 NMSA 1978). Some materials for construction projects may also be subject to New Mexico gross receipts tax.

3.7 INDEFINITE QUANTITY CONTRACT PURCHASES - Purchases of the same materials or services at various times during the year may require formal bids if the total cost for the fiscal year exceeds \$60,000 for all departments. Examples of these types of purchases are fertilizer, asphalt, chlorine, lime, concrete, uniforms etc.

A. The City of Hobbs may procure multiple indefinite quantity construction contracts pursuant to a price agreement for multiple projects under a single RFP, provided that the total amount of a contract and all renewals does not exceed two million dollars (\$2,000,000) over four years and the contract provides that any one

purchase order under the contract may not exceed five hundred thousand dollars (\$500,000). (13-1-154.1 – B)

3.8 MULTI-YEAR CONTRACTS - The City of Hobbs may enter into multi-year contracts that are in the best interest of the City of Hobbs as determined by the CPO.

- J. The maximum length of any contract for tangible personal property, construction or services under \$60,000 is not to exceed four years, over \$60,000 is not to exceed eight years including extensions and renewals.
- K. The maximum length of any contract for professional services is not to exceed four years with all extensions and renewals (13-1-150 NMSA 1978)
- L. The terms of these multi year contracts must be specified in the specifications of the bid or proposal (13-1-150 NMSA 1978).
- M. Task orders can be issued as it relates to multi-award bids and proposals. Task orders ~~below~~ **between \$20,000 and \$60,000 shall obtain approval from, the Department Head Committee (Department Head Committee defined as a Department Head and one or more evaluators) and the City Manager. The committee shall have a written justification of why the chosen contractor is in the best interest of the City. Any artificial divide of task orders exceeding the \$60,000 threshold would require City Commission approval. (eg: three task orders to the same contractor, with each task order amount at \$20,000). \$60,000- must obtain prior approval from the Department Head, CPO and City Manager. Task orders exceeding \$60,000 must obtain prior approval from the Department Head and approved by the City Manager and City Commission. In determining the contractor for multi- award task orders **exceeding \$60,000**, the Department Head **Committee** will make the recommendation based on the best interest of the City.**
- N. The City of Hobbs may procure multiple architectural or engineering services contracts for multiple projects under a single qualifications-based RFP; provided that the total amount of multiple contracts and all renewals for a single contractor does not exceed two million dollars (\$2,000,000) over four years and that a single contract, including any renewals, does not exceed five hundred thousand dollars (\$500,000) (13-1-154.1 - A)

3.9 PROFESSIONAL SERVICES EXPENDITURES - "Professional Services" means the services of architects, archaeologists, engineers, surveyors, landscape architects, medical arts practitioners, scientists, management and systems analysts, certified public accountants, lawyers, psychologists, planners, researchers and persons or businesses providing similar services (13-1-76 NMSA 1978)

Professional services are procured at the direction of the City Manager for contracts under \$60,000 including for the services of architects, landscape architects, engineers or surveyors for state public works projects or local public works projects, in accordance with professional services procurement regulations promulgated by the department of

finance and administration, the general services department or a central purchasing office with the authority to issue regulations. **Professional Services between \$20,000 and \$60,000, not related to public works projects, shall obtain three written competitive quotes with justification (when applicable) before the City Manager may approve the contract.** Contracts over \$60,000 are procured at the direction of the City Manager with City Commission approval, and are subject to the competitive sealed proposal requirements. The CPO will issue a contract after documentation of the appropriate approval is delivered to the CPO.

NOTE: The City of Hobbs is subject to 2.22 NMAC State Audit Rule in contracting for the audit services.

- 3.9.1 **COOPERATIVE PURCHASING AGREEMENTS** – Cooperative procurement” means procurement conducted by or on behalf of more than one state agency or local public body, or by a state agency or local public body with an external procurement unit. Purchases of services, construction or items of tangible personal property can be made through the use of a “cooperative purchase agreement”. The cooperative Agency agreement must be approved by the City Commission. If multiple purchasing agreements exists with vendors for a project, **and the project exceeds \$200,000, the Department Head must attempt and obtain multiple quotes.** Purchases exceeding \$60,000 must obtain prior approval from the Department Head and approved by the City Manager and City Commission.
- 3.9.2 **AMENDMENTS TO CONTRACTS** – Any amendment exceeding \$60,000 must obtain prior approval from the Department Head and approved by the City Manager and City Commission.
- 3.9.3 **CHANGE ORDERS** – Any change order on a contract exceeding \$60,000 must obtain prior approval from the Department Head and approved by the City Manager and City Commission.
- 3.10 **PURCHASES FROM ELECTED OFFICIALS OR EMPLOYEES** - ~~To avoid any possible appearance of conflicts of interest, elected officials, employees, or their immediate families, i.e., spouse, children, parents, brothers or sisters (13-1-62 NMSA-1978), can not participate in a purchase of goods or services in which they have a financial interest (13-1-190 NMSA 1978). A financial interest is defined as "holding a position in a business as officer, director, trustee or partner or holding any position in management; or ownership of more than five percent interest in a business" (13-1-57 NMSA 1978). Please see City of Hobbs Related Party Policy (City of Hobbs Resolution # 5329) and the State of New Mexico Governmental Conduct and Ethics Policy.~~ **The City of Hobbs shall follow the NM Governmental Conduct Act as it relates to purchases from elected officials or employees. Procedures for related party expenditures are in SECTION XII of the City of Hobbs Procurement Ordinance.**
- 3.11 **QUOTATIONS** - When the City of Hobbs Procurement Policy requires quotations, either written or oral, all vendors must be given the same information concerning the material or service required and any other specifications. Each vendor contacted must be given an equal opportunity to supply the material or service. If an addendum to a request for a quotation is required, it must be provided to all vendors that were asked to respond.

3.12 RESIDENT BIDDERS' PREFERENCE - Vendors registered with the State of New Mexico who have received a resident bidder's preference number are eligible for a 5% preference in the evaluation of their bid price (13-1-21 NMSA 1978). This 5% resident bidders' preference is applicable to formal sealed bids and proposals. The resident bidders' preference does not apply to the expenditure of federal funds (13-1-21 NMSA 1978). The CPO is responsible for the verification of the resident bidders' preference number with the State of New Mexico.

3.12.1 RESIDENT VETERAN BUSINESS PREFERENCE – Vendors registered with the State of New Mexico who have received a resident veteran business preference number are eligible for the follows bidder preference (13-1-21 or 13-1-22 NMSA 1978): (Note: The resident veteran business preference is applicable to formal sealed bids and proposals)

- 1) resident veteran business with annual revenues of ~~one million dollars~~ **three million dollars (\$1,000,000) \$3,000,000** or less to be ten percent (10%) lower than the bid actually submitted **and a ten percent (10%) factor for a request for proposal**
- 2) ~~resident veteran business with annual revenues of more than one million dollars (\$1,000,000) but less than five million dollars (\$5,000,000) to be eight percent (8%) lower than the bid actually submitted~~
- 3) ~~resident veteran business with annual revenues of five million dollars (\$5,000,000) or more to be seven percent (7%) lower than the bid actually submitted.~~

~~The resident veteran business preference does not apply to the expenditure of federal funds (13-1-21 NMSA 1978). The preference of this section shall be limited, in any calendar year, to an aggregate of ten million dollars (\$10,000,000) in purchases by the City of Hobbs from all resident veteran businesses receiving preference. (13-1-21, G)~~ The CPO is responsible for the verification of the resident veteran business preference number with the State of New Mexico.

3.13 SOLE SOURCE AND EMERGENCY PURCHASES -

O. Sole source purchases are defined as a purchase for which there is only one known source for the required service, construction or item of tangible personal property (13-1-126 NMSA 1978). At least thirty days (30) before a sole source contract is awarded, the CPO or designee of either shall post notice of the intent to award a sole source contract on its web site and forwarded to the State of New Mexico Department of Information Technology for posting on the sunshine portal. The notice shall identify at a minimum:

- 1) The parties to the proposed contract
- 2) The nature and quantity of the service, construction or item of tangible personal property being contracted for; and
- 3) The contract amount

Any qualified potential contractor who was not awarded a sole source contract may protest to the CPO. The protest shall be submitted in writing within fifteen calendar days of the notice of intent to award a contract being posted by the CPO. (13-1-126.1, A B, 13-1-128)

P. Emergency purchases are valid only when there exists a threat to public health, welfare, safety or property requiring procurement under emergency conditions (13-1-127 NMSA 1978). An emergency condition creates an immediate and serious need for services, construction or items of tangible personal property that cannot be met through normal procurement methods and the lack of which would seriously threaten:

- 1 – the functioning of government;
 - 2 – the preservation or protection of property; or
 - 3 – the health or safety of any person.
- (13-1-127 NMSA 1978)

- Q. Every effort should be made to purchase competitively if the situation allows (13-1-127 NMSA 1978). A written determination of the basis for the emergency procurement and for the selection of the particular contractor shall be included in the procurement file (13-1-128 NMSA 1978).
- R. Written documentation of these types of purchases must be submitted to the CPO by the Department Head making the purchase (13-1-128 NMSA 1978). This documentation must be maintained for a minimum of three years (13-1-128 NMSA 1978).
- S. Within three (3) business days of awarding an emergency procurement contract, the CPO or designee of either shall post notice of the intent to award the emergency purchase contract on its web site and forwarded to the State of New Mexico Department of Information Technology for posting on the sunshine portal. The notice shall identify at a minimum:
 - 1) The parties to the proposed contract
 - 2) The nature and quantity of the service, construction or item of tangible personal property being contracted for; and
 - 3) The contract amount

3.14 STATE OF NEW MEXICO PURCHASING CONTRACTS AND GSA CONTRACTS - The CPO may make purchases utilizing any State of New Mexico Purchasing Contract, or any GSA Contract deemed to be in the best interest of the City of Hobbs. The CPO is not required to obtain quotes or formal sealed bids for purchases under these contracts regardless of the total cost (13-1-129 NMSA 1978), but may utilize these contracts as one of the price quotes when quotations are required.

- T. When using GSA contracts the contractor (not the distributor) must indicate in writing a willingness to extend to the City of Hobbs the terms and conditions specified in the GSA Contract (13-1-129 NMSA 1978).
- U. The CPO must have a complete copy of the State Contract or GSA Contract (13-1-129 NMSA 1978). The CPO will verify the terms of the contract as well as the effective date of the contract prior to issuance of a purchase order.

SECTION IV PUBLIC WORKS CONTRACTS

- Public works contracts are subject to the policies detailed above as well as the following additional procedures.
- All contracts of more than \$60,000, must contain a provision stating the minimum wages to be paid to various classes of laborers and mechanics as determined by State of New Mexico. Contractors must pay the laborers at least weekly, on the job site. The wage scale must be prominently posted by the contractor at the work site (13-4-11 NMSA 1978). If the City of Hobbs is utilizing a cooperative purchase agreement, the determination of wage rates for the agreement must be forwarded and filed with the City of Hobbs CPO. Non-submittal of wage rate determinations from the Cooperative Service Agency could result in a delay of payment.
- For all contracts of more than \$60,000, the City of Hobbs must receive a performance bond from the contractor equal to 100% of the contract price, and a payment bond from the contractor equal to 100% of the contract price.
- The CPO can require performance bonds and payment bonds on any public works contract.
- The City of Hobbs may require a ~~retainage~~ **close out fee** of no greater than 5% be held from each partial payment to the contractor until the job is completed.
- Any vendor submitting a bid for a public works construction project more than \$5,000, shall submit a subcontractor list of who will perform work or labor or render service. The subcontractor's list shall give in detail the nature of the work which will be done by each subcontractor. Any bid submitted by any person which fails to comply with this policy will be considered a non-responsive bid and will not be accepted by the City of Hobbs (13-4-34 NMSA 1978).
- In order to submit a bid , proposal or to be considered for award of any portion of a public works project greater than sixty thousand dollars (\$60,000), the public works project is subject to the Public Works Minimum Wage Act. The contractor, serving as a prime contractor or not, shall be registered with the labor and industrial division of the labor department. The City shall not accept a bid on a public works project subject to the Public Works Minimum Wage Act from a prime contractor that does not provide proof of required registration for itself.
- The City of Hobbs may procure multiple architectural or engineering services contracts for multiple projects under a single qualifications-based RFP; provided that the total amount of multiple contracts and all renewals for a single contractor does not exceed two million dollars (\$2,000,000) over four years and that a single contract, including any renewals, does not exceed five hundred thousand dollars (\$500,000) (13-1-154.1 – A)

SECTION V MISCELLANEOUS EXPENDITURES

- 1 Some miscellaneous expenditures do not lend themselves to classification as services or materials, and are not handled in the same way as most purchases.
- 2 Travel expenditures, meal reimbursements, postage, dues/subscriptions and registration fees are several examples.
- 3 Check requests can be utilized for these expenditures. It is encouraged to use purchase orders whenever necessary to assure budgeted funds are available.
- 4 Documentation for the expenditure should be attached to the request, and submitted directly to the Finance Department for payment.

SECTION VI FIXED ASSET POLICY

- 1 Capital outlay items are budgeted annually and approved by the City Commissioners.
- 2 Purchases from funds budgeted as a capital outlay must have an Inventory Data Sheet attached when submitted to the Finance Department for payment.
- 3 All capital expenditures are accounted for in a fixed asset inventory and not charged to an operating expense account.
- 4 Generally, expenditures for items with an original cost of more than \$5,000.00, and an estimated life of more than one year, are classified as fixed assets.
- 5 Generally, expenditures of less than \$5,000.00 are charged to the current year's operating expenses.
- 6 Repairs should be charged to an operating expense account.
- 7 Purchases for shrubbery, trees, sod, fencing, carpeting, roofing, plumbing, etc. should not be considered fixed assets.
- 8 Installation, engineering services, architectural services and repairs extending the life of the asset should be charged and budgeted directly to the fixed asset as to assure proper value of the fixed asset. **Note: When budgeting fixed assets, items 6 thru 8 should be considered in the code series of the budgeting process. Operations should be budgeted in the 42000 object code series and capital should be budgeted in the 43000 or higher object code series.**
- 9 Disposition of any item requires prior approval from the Department Head (13-6-1 NMSA 1978), and completion of an Inventory Data Sheet – Transfers & Deletions. **Items are deemed to have a salvage value and are believed to be sold at a public auction must be specified on the inventory data sheet – transfers and deletions form. The Finance Department is responsible for organizing the auction and will communicate when and where to transport the items before and after the auction.**
- 10 Each Department Head is responsible for maintaining an accurate inventory of all fixed assets assigned to their department.
- 11 The results of the physical inventory shall be recorded in a written inventory report, certified as to correctness and signed by the governing authority of the agency. (NMAC 2.20.1.16.E)
- 12 **Annexing of property will be evaluated and added to the fixed asset inventory list at the end of every fiscal year (when applicable). The basis for valuation will be determined by reasonable methods determined by GAAP. (Generally Accepted Accounting Principles)**

- 13 Donation of property will be evaluated and added to the fixed asset inventory list at the end of every fiscal year (when applicable). The basis for valuation will be determined by reasonable methods determined by GAAP. (Generally Accepted Accounting Principles)

SECTION VII BUDGETING POLICY/PROCEDURES

A. In order to comply with Section 6-6-2 NMSA 1978, local governments have the following deadlines to adhere to:

June 1, - Budget (preliminary) requests are due to New Mexico Local Government Division

July 31,- Budget (final) Final Day to submit budget adjustment resolutions for current fiscal year

Final budget requests for next fiscal year including the approving resolution due at New Mexico Local Government Division

Fiscal year-end financial reports due at New Mexico Local Government Division

The New Mexico Local Government Division requires the City of Hobbs to establish and maintain a cash balance in the general fund equal to 1/12th of the budgeted expenditures at fiscal year-end (June 30th)

The City of Hobbs will hold a minimum of one (1) budget public work session prior to the first Commission meeting in May.

A portion of the general fund cash balance can be reserved in a separate reserve fund by direct action of the City of Hobbs Commission. The action to set up a reserve must specify the purpose, the amount and the expected date for its use. Reserves which remain unused for a period of three years will revert to the General fund.

Budget Fund Establishment:

General Fund – Accounts for all financial resources, except those required to be accounted for in another fund.

Special Revenue Fund – Accounts for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

Capital Projects Fund – Accounts for financial resources to be used for the acquisition or construction of major capital facilities.

Debt Service Fund – Accounts for the accumulation of resources for the payment of general obligation and long-term debt principal and interest.

Proprietary Fund – Accounts for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the City Commission is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Internal Service Fund – Accounts for the financing of goods or services provided by one department or agency to other departments or agencies of the City of Hobbs on a cost-reimbursement basis.

Fiduciary Fund (Trust and Agency) – Accounts for assets held by the City of Hobbs in a trustee capacity or as an agent for individuals, private organizations, or other governmental units, and/or other funds.

ADJUSTMENTS AND RECLASSIFICATIONS

Definition:

Budget Adjustment – means any revenue or expenditure adjustment made after June 1, increasing or decreasing budgeted cash fund balance

Budget Reclassification – means any revenue or expenditure reclassification made after June 1, having no effect on budgeted cash fund balance

Budget Fund Adjustments:

New Mexico Local Government Division approval is required to adjust the budget after the budget is adopted. The following list establishes the criteria:

- 1) Meeting date that the City Commission approved the adjustments
- 2) Fund or funds affected by the adjustments
- 3) Department affected by the adjustments
- 4) The dollar amount of the adjustment and the available resources to fund the adjustment
- 5) A brief explanation stating why the adjustment is necessary

The signature of the mayor, commission chair or designate (manager, finance officer, etc) with attestation by the municipal clerk must be provided.

Budget adjustments requiring Local Government Division Approval include:

- Any budget increases
- Any transfer of budget between funds
- Transfers of cash, both permanent and temporary, between funds
- Any combination of the above

ALL BUDGET INCREASES, TRANSFERS (PERMANENT AND TEMPORARY) MUST BE APPROVED BY THE NEW MEXICO LOCAL GOVERNMENT DIVISION PRIOR TO MAKING THE ACTUAL INCREASE OR TRANSFER.

Budget increases or transfers from the general fund requiring the use of cash balances may not be approved if the result reduces estimated ending cash balance below LGD requirements.

Quarterly budget review establishes the second Commission meeting at the end of each quarter. The quarterly review requires the City of Hobbs to examine fiscal performance and make budget adjustments, if needed. The examination should include a comparison of revenues and expenditures to date to the approved budget.

The City of Hobbs establishes budget categories within the Funds and Departments as the following:

- Revenue – (Object code beginning with a 30)
- Personnel and Benefits – (Object code beginning with a 41)
- Operating – (Object code beginning with a 42)

Capital Assets (Tangible Equipment) – (Object code beginning with a 43)
Capital Projects – (Object code beginning with a 44, includes a project number)
Debt Service – (Object code beginning with a 46)

All budget reclassifications must be approved by the City Manager or Finance Director. Any budget reclassifications must be between budget categories. (example: reclassifications from personnel to personnel, reclassifications from operating to operating, reclassifications from capital assets to capital assets,) The budgetary cash fiscal impact on reclassifications should be zero with ratification of those adjustments at the quarterly budget review Commission meeting.

Any budget adjustment reducing the budgeted cash by \$60,000, Commission approval must be obtained prior to the adjustment being recorded.

Budget adjustments that do not reduce budgeted cash balance by \$60,000, ratification of the adjustment at the quarterly budget review must be approved by the City Commission.

End of the year fiscal year budget adjustments must be approved by the City Commission and submitted for approval to the local government division by July 31,

PROCEDURES FOR SUBMITTING FISCAL YEAR PRELIMINARY BUDGET

SALARY AND BENEFITS:

1. Finance Department will create the fiscal year budget file (in the MUNIS system) in the **second week in December** for the upcoming fiscal budget year
2. Finance Department will create a point in time, personnel projection file, in the Munis system prior to **January 31**
3. Any added Departments must be approved by Finance Director **prior to January 31,**
4. Department Heads will submit to the Human Resource Department by **January 31,** any added positions or reclassifications of personnel for the upcoming fiscal year budget.
5. The Human Resource Department will update the personnel projection file with changes submitted by Department Heads by the **second week in February.**
6. Once the projection file is updated, the salary projection will be executed and posted **no later than March 1,** The final projection must be compiled in the budget book by FTE by department, with salary amounts and compared to prior year. (Note: State of NM local government division requires FTE counts and salary amounts with an average increase or decrease from prior budget year)
7. Benefit projections will be determined by City Management and updated in the salary/benefit projection prior to **March 1,**

OPERATING:

1. Finance Department will create the fiscal year budget file (in the MUNIS system) in the **second week in December** for the upcoming fiscal year budget year.
2. Departments must input detailed line item budgets (within the Munis system) **no later than March 1** (Note: detail input is required with justifications.)
3. Any additions of departments or object codes must be approved by Finance Director prior to

March 1st,

CAPITAL ASSETS AND CAPITAL PROJECTS:

1. Finance Department will create the fiscal year budget file (in the MUNIS system) in the **second week in December** for the upcoming fiscal year budget year.
2. Departments adding new fiscal year budgeted projects must submit those projects to Finance no later than March 1st. Any grant revenues associated with new projects also needs to be submitted to Finance. (Note: project numbers need to be added within the MUNIS system)
3. Departments must input detailed line item capital asset and capital project budgets **no later than March 1** (Note: detail input is required with justifications.)
4. Existing budgeted projects will be carried over into the next budget year. These existing budgeted should not be re-budgeted in the preliminary budget process unless an enhancement or addition needs to be made to the project after July 1st.

Finance Department will project, an input revenues as it relates to the General Fund, Special Revenue Funds, Capital Asset Funds, Debt Service Funds, Enterprise Funds and Fiduciary/Trust Funds by March 1

After March 1, the Finance Department will roll all components of the preliminary budget to the City Manager for review. The City Manager may establish departmental meetings during this review process.

Once City Manager review is complete, the Finance Department will compile preliminary fiscal year budget and create a projected budgeted cash fund balance report. The minimum general fund cash reserve as a percentage of general fund revenues shall be 30%. (Note: City Commission reserves the right to set the reserve % from fiscal year to fiscal year). The State of New Mexico Local Government Division requires 1/12th (8.33%) of general fund budgeted expenditures as the cash reserve.

The City of Hobbs preliminary budget will hold two public meetings regarding the preliminary budget. The two public meetings are as follow: 1) Preliminary budget work session discussions and 2) Final adoption of fiscal year preliminary budget. The timeline for work session is the 2nd Commission meeting in April and the 1st Commission meeting in May.

Once the preliminary budget is adopted, the budget will be cross walked to the required DFA forms and submitted prior to June 1st.

Contract Background

Typically, the City of Hobbs requires contracts for any labor/services over \$20,000. There are some cases that might require a contract under \$20,000 if the department and vendor need to detail out certain attributes that would otherwise not reflect on the purchase order (examples of these are timelines, quantity amounts, methods of payment, scope of work, expectations etc.) **Contracts are not to be artificially divided to shift the classification of the purchase into an inappropriate expenditure category.** In obtaining a contract the following procedures must be followed as to make your department and vendor, an enjoyable experience with the Finance Department.

Procedure:

1. Determine if labor or services are over the \$20,000 dollar threshold.
2. If over the \$20,000 dollar threshold, three written quotes (use quote/purchase request form) must be obtained. (~~Note: Professional services are exempt from three written quotes but cannot exceed \$60,000.~~ **Any professional service between \$20,000 and \$60,000, not related to public works projects, should obtain three competitive written quotes with justification (when applicable) before the City Manager can approve the contract.** ~~All professional service contracts below \$60,000 must be signed by the City Manager~~)
2. Obtain an electronic version contract on the City's Intra-net page or contact Finance for a pro-forma contract. (Note: the contract pro forma version has been vetted through the Finance Department and Legal Department. Any other contract form used will be subject to additional review by the Legal/Finance Department)
3. Update the contract with the vendor, scope of service, amounts, quantity or any other language is deemed necessary for clarification.
4. Check budget for available funds and update contract with coding instructions.
5. Contract needs to be signed by the Department Head, Finance Director and Vendor before work is to begin. If a contract is obtained through a bidding process or RFP process then the Mayor must sign contract.
6. Once signatures are obtained, the Contract must be forwarded to Purchasing (along with the three written quotes) for encumbering into the MUNIS system. This assures that the City of Hobbs has the most current status of contractual liabilities owed to vendors.
7. Invoices associated with the contracts will be submitted to accounts payable and disseminated to the Department who issued the contract.
8. The Department Head will sign off on the invoice verifying the work was complete and satisfactory. The Department Head will then forward to accounts payable for payment. (**Note: all**

invoices must be paid within 15 days of receipt of payment per ordinance)

9. All contracts will be drafted for a one year term with a three year option to re-new (when applicable). Before the contract year, a reminder notice will be sent by the Finance Department to the department who initiated the contract for review. The department will review and update any terms, scope of services, or any other terms set in the initial contract. Once reviewed, the department will sign the contract reminder notice along with the vendor. This constitutes exercising one of the three year options. Any significant changes to the initial contract will need to be reflected in an amendment to the initial contract, identifying any updates. The amended contract must be signed by all parties listed in the initial contract.

Employment Contracts vs. Contracts of Independent Contractors

All contracts will be subject to review by the City Manager, Personnel Director and Finance Director as it relates to determining whether a contract is considered to be an employment contract or a contract with an independent contractor. (IRS rules apply) Employment contracts will be reviewed annually by the City Manager during his/her evaluation process for the employee. Contracts with an independent contractor will follow the review procedure mentioned in procedure 9 Section VIII of procedures for obtaining a contract.

SECTION IX PROCEDURES FOR OBTAINING A PURCHASE ORDER

Section 3.30.085

Purchase Order Background

The City of Hobbs requires a purchase order for any tangible property, labor, and services under \$20,000. A purchase order can also be obtained for **any tangible property** over \$20,000 and under \$60,000, however, three (3) written quotes (use quote/purchase request form) must be obtained. (note: in obtaining 3 quotes, the lowest quote does not have to be lowest, but a statement as to why lowest quote was not chosen) A purchase order can be obtained for tangible property or indefinite quantity amounts over \$60,000, but a formal bid, sole source, emergency request, GSA, cooperative purchasing (see ordinance policy) or formal RFP process would have to occur first. **Any purchase orders over \$20,000 needs to be created in the Finance Department - Purchasing.** It is noted the City of Hobbs uses a purchase order system for two reasons, 1) that authorization of public funds has occurred before the purchase, and 2) only authorized personnel from the City of Hobbs can spend public funds. The purchase order system also tracks by department, checks availability of funds and contractually encumbers public funds. The City of Hobbs uses an electronic report and planning system (MUNIS) to obtain a purchase order. The steps involved in the City of Hobbs electronic procurement process is first, creating a requisition, converting to a purchase order, receiving an invoice, department receiving the item indicating the product or service was adequate and then a check is processed. **Purchase orders are not to be artificially divided to shift the classification of the purchase into an inappropriate expenditure category. (example: creating purchase orders to one vendor, same budget line item, 3 different times at \$10,000 per PO making the total purchase to the vendor \$30,000. This purchase should have obtained three written quotes since total purchase to one vendor exceeded \$20,000. In the prior example, if total purchases exceeded \$60,000 then a formal bid or RFP process would need to followed.)** In obtaining a purchase order, the following procedures must be followed as to make your department and vendor, an enjoyable experience with the Finance Department.

Procedure:

Requisition to Purchase Order

1. Complete a requisition entry in Munis – please include a detailed description of the item or items purchased in the line detail field.
2. **All requisitions must have documentation** (such as a quote or an estimate) attached to justify the price, timeline, and/or quantity needed.
3. Release the requisition in Munis so that it can be processed through the workflow in Munis.
4. Once all approvals have been made, the requisition will be converted into a purchase order.
5. The originator will receive two copies of the purchase order by email – the department copy and the vendor copy. Please provide your vendor with the vendor copy of the purchase order.

Receiving on a Purchase Order

1. Per the purchase order, the invoice should be received by the finance department.
2. Finance will email a copy of the invoice to the department for authorization to pay
3. Please receive using the Munis receiving module any items on the invoice you have physically received.
 - a. Please contact Finance as soon as possible if you have received an invoice from us and you do not have your merchandise.
 - b. **Receiving documentation should be scanned and attached (when applicable) within the receiving module to verify that all merchandise shipped was properly vetted. Examples are to verify that no prepayments exist between the vendor and the City of Hobbs, quantities are correct, and no damage of goods occurred.**
4. If you have more than one line item on your purchase order, please ensure that you are receiving on the correct line item.
5. Please do not put a quantity in your receiving record - only a cost.
6. Please utilize the comments section to communicate any necessary information regarding your invoice.
 - a. This is especially useful if you have multiple invoices paying against the same line on your PO. Please provide the invoice number in the comments section for multiple invoices.
7. Please receive one invoice at a time in the receiving record.

Checks are written once per week. (Thursday afternoon). All purchase orders, invoices and receiving must be done by 5:00 pm Tuesday for payment to the vendor on Thursday of that week. (note: during holidays, the check run may be changed)

SECTION X PROCEDURES FOR OBTAINING A REQUEST FOR PROPOSAL (RFP)

Section 3.30.090

RFP (Request for Proposals) Background:

Request for proposals follow the same procedure noted in the State of NM procurement code. RFP's are done when other factors need to be considered for tangible property, capital projects, professional services and other services. This section of RFP does not fully encompass the process when public works projects are being considered for an RFP. This section details out the basic process, thru RFP, in procuring services **exceeding \$60,000.**

Procedure for creating an RFP:

1. Obtain pro forma RFP form on the City's intranet page or request from purchasing an electronic copy of the pro forma request for proposal.
2. Once the department has a working template of the RFP. The following items need to be either updated or changed.
 - a. The proposal number (obtain thru purchasing)
 - b. The specific timeline from publishing to opening of the RFP. The date, time and place of opening (minimum time from publication to opening is 10 business days). Also, note that all RFP's need to be evaluated and submitted to the City Commission for approval.
 - c. A detail description of the scope of service needing to be performed
 - d. Evaluation criteria ranked on a grading scale or point scale. (examples: cost 40%- timeline 20% - personnel experience on similar services 20% - responsiveness to rfp 10%).
 - e. **RFP's not related to public works projects shall have a minimum cost factor of 20%.**
 - f. Resident preferences **of (5%) five percent (5%)** and veteran's preferences **(from 7% to 10%) of ten percent (10%)** need to be included as an evaluation criteria factor.
 - g. A cost sheet needs to be included in the RFP if cost is an evaluation factor.
 - h. A campaign contribution form needs to be included in the RFP.
 - i. **All Proposers shall be required to sign an affidavit attesting that collusion has not occurred.**
 - j. **All Proposers shall be required to sign a Related Party form, disclosing any financial interest the Proposer may have with the City of Hobbs.**
 - k. **All Proposers shall be required to sign a Debarment Certificate disclosing any debarment from the State of New Mexico, Federal Government and or the City of Hobbs.**
3. The Department will submit a proposer list to purchasing for filing and submission of RFP to prospective proposers.
4. Once the department has updated and completed the RFP, the department will submit to Purchasing for review. Purchasing will then make any suggestions or corrections before a check route is established. (a check route is a sign off sheet in order for complete compliance review). Purchasing creates a check route, with authorized signatures, in the following order:
 1. Author of the RFP
 2. Department Head
 3. Purchasing
 4. Finance Director

5. Legal
6. City Manager
5. The check route needs to contain the budgeted funds available and the account number the RFP is budgeted in.
6. When the check route is complete, the City Manager shall sign the notice to publish. The RFP publication will also be submitted to IT for publication on the City of Hobbs website.
7. Any addendums to the RFP must be submitted 24 hours in advance.

Procedure for evaluating an RFP:

Specific guidelines in evaluating an RFP are detailed in the State of NM Procurement Code. The following procedures establish a benchmark for departments in completing the RFP process:

1. Finance Department will receive all RFP's and time/date stamp.
2. Finance Department will compile an evaluation form specific to the criteria established in the formal RFP.
3. The Department will establish an evaluation committee with a minimum of three evaluators. At least one member needs to be independent of the RFP origination department. (refer to NM State Procurement Code for specific procedures)
4. The evaluation team will score the RFP and submit scoring sheets to the Finance Department. An average score sheet will be calculated and submitted to the Finance Department as well. Any possible proposers deemed non-responsive must be vetted through the Finance Department and Legal Department.
5. The RFP origination Department will create a staff summary and start negotiations of a contract agreement (see contract procedure). If contract negotiations fail with the highest rated proposer, the Department will begin negotiations with the 2nd highest proposer. (see detailed RFP negotiations in NM State Procurement Code) The staff summary, average scoring sheet and contract (when necessary) will be submitted to the City Commission for approval.
6. Upon City Commission approval, purchasing will submit an award letter to the highest rated proposer and notify (in writing) the non-successful proposers.
7. Once all contract documents are signed, the Department will submit to purchasing a copy of the contract and enter the document into the MUNIS system. All contracts that are processed through the RFP process must be signed by the Mayor.

XI PROCEDURES FOR OBTAINING A BID

Section 3.20.095

Bid Background:

Bids follow the same procedure noted in the State of NM procurement code. Bids are done when only costs need to be considered for tangible property, capital projects, and other services deemed necessary for the City of Hobbs. This section of bidding does not fully encompass the process when public works projects are being considered for a bid. It is also noted that a construction manager assigned to assist the City of Hobbs, thru a prior RFP, can process bids, evaluate and make recommendations to the City of Hobbs Commission or designee. This section details out the basic process, thru bidding, in procuring tangible property, capital projects and other services **exceeding \$60,000**.

Procedure for creating a BID:

1. Obtain pro forma bid form on the City's intranet page or request from purchasing an electronic copy of the pro forma bid document.
2. Once the department has a working template of the bid document. The following items need to be either updated or changed.
 - a. The bid number (obtain thru purchasing)
 - b. The specific timeline from publishing to opening of the bid. The date, time and place of opening (minimum time from publication to opening is 10 business days). Also, note that all bids need to be evaluated and submitted to the City Commission for approval.
 - c. A detail description of the tangible property, capital project or other service.
 - d. Resident preferences **of five percent (5%)** and veteran's preferences (~~from 7% to 10%~~) **of ten percent (10%)** need to be included as a cost factor.
 - e. A cost sheet needs to be included in the bid document.
 - f. A campaign contribution form needs to be included in the bid document.
 - g. **All Bidders shall be required to sign an affidavit attesting that collusion has not occurred.**
 - h. **All Bidders shall be required to sign a Related Party form, disclosing any financial interest the Bidder may have with the City of Hobbs.**
 - i. **All Bidders shall be required to sign a Debarment Certificate disclosing any debarment from the State of New Mexico, Federal Government and or the City of Hobbs.**
3. The Department will submit a bidders list to purchasing for filing and submission of bid to prospective bidders.
4. Once the department has updated and completed the bid document, the department will submit to Purchasing for review. Purchasing will then make any suggestions or corrections before a check route is established. (a check route is a sign off sheet in order for complete compliance review). Purchasing creates a check route, with authorized signatures, in the following order:
 1. Author of the bid document
 2. Department Head
 3. Purchasing
 4. Finance Director

5. Legal
6. City Manager
5. The check route needs to contain the budgeted funds available and the account number the bid is budgeted in.
6. When the check route is complete, the City Manager shall sign the notice to publish. The bid document will also be submitted to IT for publication on the City of Hobbs website.
7. Any addendums to the bid document must be done 24 hours in advance.

Procedure for evaluating a bid:

Specific guidelines in evaluating a bid are detailed in the State of NM Procurement Code. It is also noted that if the City of Hobbs is contracting with a construction manager then the following process does not apply. The following procedures establish a benchmark for departments in completing the bid process (without a construction manager):

1. Finance Department will receive all bids and time/date stamp.
2. Finance Department will compile an evaluation form specific to the cost established in the formal bid process.
3. All bids will be publicly opened and read out loud.
4. The bid will be summarized and checked for completeness. Any possible bidders deemed non-responsive must be vetted through the Finance Department and Legal Department.
5. The bid origination Department will create a staff summary and create a contract agreement (see contract procedure). The staff summary, bidding sheet and contract (when necessary) will be submitted to the City Commission for approval.
6. Upon City Commission approval, purchasing will submit an award letter to the apparent low bidder and notify (in writing) the non-successful bidders.
7. Once all contract documents are signed, the Department will submit to purchasing a copy of the contract and enter the document into the MUNIS system. All contracts that are processed through the bidding process must be signed by the Mayor.

XII PROCEDURES FOR RELATED PARTY EXPENDITURES

Pursuant to the NM Governmental Conduct Act, the following procedures shall be followed by any employee/elected official conducting business with the City of Hobbs:

1. All employees and elected officials shall be required to submit a Financial Disclosure Form to the Finance Department annually.
2. All signed disclosure forms by employees/elected officials shall be filed in their personnel file.
3. Any possible conflict of interests with employees/elected officials may be reviewed by the Finance Director, City Attorney and City Manager.
4. If a conflict of interest arises with an employee/elected official, any future goods or services provided by the related party shall be subject to a competitive process and disclosed at a future City Commission meeting.
 - a. A competitive process is defined as written quotes with a minimum of three vendors. The dollar amount threshold for the written quotes is \$1,000 dollars to \$60,000 dollars. The recommended vendor, if an employee or elected official, shall require disclosure at a City Commission meeting.
 - b. Formal bid or rfp above 60,000 shall require a formal competitive process of sealed bids/proposals with a disclosure of conflict of interest from the vendor. All formal bids or rfps shall be disclosed at a City Commission meeting.
5. Any change in financial interest during the calendar year, the employee/elected official shall disclose the change to the Finance Department in writing.
6. All new employees/elected officials shall submit a financial disclosure form upon hire or start of election term.

XIII INVENTORY MANAGEMENT POLICY

OBJECTIVE:

The policy aims to achieve the following objectives which are to:

- a) Provide guidelines that employees of the City of Hobbs must follow in the management and control of inventory, including safeguarding and disposal of inventory
- b) Procure inventory in line with the established City of Hobbs Procurement Ordinance
- c) Eliminate any potential misuse of inventory and possible theft.

DEFINITIONS:

Cost – shall comprise costs of purchase, costs conversion, shipping and other costs incurred in bringing the inventories to their present location and condition

Inventories – are assets:

In the form of material or supplies to be consumed or distributed in the rendering of services
Held for sale or distribution in the ordinary course of operations

Warehouse Manager – means the official responsible for the requisition, receipt, issue, recording, safeguarding of inventory and cost-effective and efficient management of inventory.

Obsolete Inventory – means items that have expired, are redundant or damaged

Re-order level – means the level of inventory at which inventory is re-ordered

Net Realizable – Is the estimated selling price in the ordinary course of operations less the estimated costs of completion and estimated costs necessary to make the sale exchange or distribution

Purchase Requisition – Electronic request that performs a budget check and detailing inventory items as to description, quantity, cost, and shipping

Purchase Order – Electronic authorized contract which is converted from a purchase requisition, detailing inventory items as to description, quantity, cost and shipping

Receiving - means ordered inventory items from an authorized purchase order are received by the warehouse manager, against the purchase order by line item

Invoice – means vendor billing document that matches authorized purchase order

SCOPE:

This policy applies to City of Hobbs inventory received by the warehouse manager and when applicable, the golf course manager.

INVENTORY PROCEDURES:

The procedures for inventory must be followed to ensure that:

- a) Inventory is safeguarded at all times
- b) There are accurate records of quantities on hand at all times
- c) Optimum inventory levels are maintained to meet the needs of users
- d) Only authorized issues of inventory are made to users
- e) Items placed in warehouse are secured and only used for the purpose for which they were purchased

ORDERING OF INVENTORY:

Each department must set its own Inventory reorder levels for all items in consultation with the Utilities Director or Golf Pro Shop Manager, the inventory levels must indicate the minimum and maximum inventory that can be maintained.

Due diligence and care shall be exercised in identifying low value and high value items of inventory

Minimum inventory level of high value items shall be ordered, any maximum order shall be based on specific requirement/need in order to avoid large amount of cash tied up on inventory

The purchase requisition will be requested by the warehouse manager/golf course manager detailing out description, items, cost, shipping and other costs and submitted through the MUNIS system or equivalent.

The purchase requisition will be converted to an authorized purchase order by the Finance Department and forwarded to the warehouse/golf pro shop for the receiving warehouse manager/golf pro manager to match the goods received against the order once goods are delivered

Purchase orders must thereafter be filed in date sequence

This file must form the basis for follow up of orders and for matching goods that are delivered to the warehouse department/golf course pro shop

The orders file should be reviewed weekly by the warehouse manager/golf course manager and any orders, which have not been delivered as per the agreement with the buyer, must be followed up immediately

RECEIPT OF INVENTORY:

The quantity and quality of the inventory received from suppliers must be according to specifications and information on the purchase order

The warehouse manager/golf course manager must compare the delivery receiving document to the purchase order before accepting the goods

The invoice or delivery receiving document must match the supplier name and order number

The warehouse manager/golf course manager must create an electronic receiving input into the MUNIS system or equivalent to record all the inventory items delivered in good condition

The warehouse manager/golf course manager must ensure that:

- a) All receiving documents or invoices are signed by him/her and the driver
- b) All incorrect delivery items are rejected and clearly identified on both copies of the delivery receiving document and or invoice
- c) The supplier signs all amendments

The inventory received must then be transferred to the secured warehouse/golf course pro shop by the warehouse/golf pro shop designated staff, and the goods received are numbered and quantities captured on the bin by the warehouse manager (when applicable by the golf course manager)

The inventories must be stored in their respective sections once they have been received

The inventory record/database system must be updated on the day the goods are received by the warehouse manager/golf course manager

STORAGE OF INVENTORY:

Inventory must be stored in a secured, exclusive use area, under lock and key, furthermore the inventory must be insured

The area must be used exclusively for the storage of inventory, with limited authorized access only

Inventory must be positioned to facilitate efficient handling and checking

All items must be stored separately, with proper segregation

Inventory must be clearly labeled for easy identification. Inventory tag/bin labels may be used to identify each item and to aid in the physical verification of the items.

Where possible, all items of the same typed and reference must be stored together as per the description on the inventory records

Due diligence and care must be exercised to prevent damage of, or deterioration of inventory

Steps must be taken to ensure safe custody of items, including precautions against loss or theft

The warehouse manager is responsible for the custody and care of inventory and must ensure that in his/her absence, such items, where applicable, are securely stored

No unauthorized persons/officials shall obtain entry to premises, buildings or containers where inventory is kept, unless accompanied by the warehouse manager or designee

ISSUING OF INVENTORY:

Only the warehouse manager is authorized to issue inventory from the warehouse

Inventory must only be issued in terms of the approved "pick ticket" form generated by the City of Hobbs MUNIS system

The warehouse manager must update quantities in the MUNIS database any inventory items issued from the "pick ticket"

Inventories must be issued and used for official purposes only

OBSOLETE INVENTORY:

The preparatory work for the disposal of obsolete inventory must be undertaken by the warehouse manager and verified by the Utilities Director/Parks Director.

The Finance Officer must approve the disposal of obsolete inventory.

The final approval of write-off of obsolete inventory would be executed by resolution with approval of the Hobbs City Commission

The obsolete inventory must satisfy that:

- a) The inventory has expired and is redundant
- b) The inventory is of a specialized nature and has become outdated due to the introduction of upgraded and more effective products
- c) The inventory cannot be used for the purpose for which it was originally intended
- d)

INVENTORY COUNT:

Items may be subject to an inventory spot count on a monthly basis.

Inventory counts may be carried out on a four monthly basis with a full inventory count at the end of each fiscal year

All approved City of Hobbs procedures and processes must be complied with during the inventory count

The warehouse manager/golf course manager must document and report to the Utilities Director, Parks Director and Finance Director, any discrepancies between the inventory records database and the physical inventory

Once reported to the Utilities Director/Parks Director and Finance Director, the amount will be forwarded to City Commission by resolution for write-off of any inventory losses or write ups of surpluses

The appropriate disciplinary action must be instituted when applicable

The inventory record database must be updated accordingly

INVENTORY RECORDS:

An inventory record database must be maintained for all inventory items, electronically

All relevant information must be included for the proper management and control of all inventory items. It is recommended that details include but are not limited to:

- a) Order number/date
- b) Item description
- c) Quantity and value of stock on hand
- d) Quantity and value of stock received
- e) Quantity and value of stock issued
- f) Re-order level
- g) Optimum inventory level
- h) Quantity and value of obsolete stock
- i) Opening and closing balance

An inventory database must be printed monthly and the hard copy filed in a chronological order to maintain a proper audit trail

REPORTING:

A report must be submitted at each stock count to the Finance Department, Parks Director and Utilities Director detailing the following:

- a) Any inventory shortages or surpluses and the reasons for such
- b) Any inventory deficits proposed to be written-off
- c) Any obsolete inventory items

Inventories purchased during the fiscal year must be disclosed at cost

All fiscal year reports must be submitted to the Finance Department which will be forwarded to the City of Hobbs external auditors.

PASSED, ADOPTED AND APPROVED this 17th day of April, 2017, to become effective May 1, 2017.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk



CITY OF HOBBS FINANCIAL DISCLOSURE FORM

New Mexico Governmental Conduct Act
Official/Officer Financial Interest and Employment Disclosures

I. FINANCIAL INTEREST IN BUSINESS(ES)

As a public officer or employee of the City of Hobbs and for the purpose of complying with the New Mexico Governmental Conduct Act, I wish to disclose that I may have a "substantial" interest in the following business(es) which do or may do business with the City of Hobbs:

(Note: For the purpose of this disclosure I am using the definition of "substantial interest" as the term is used in the Governmental Conduct Act, which is an ownership interest exceeding twenty percent.)

A. First Business

Name of Business: _____

Type of Business: _____

The ownership interest is in my name.

The ownership interest is in the name of a family member, whose name is

B. Second Business

Name of Business: _____

Type of Business: _____

The ownership interest is in my name.

The ownership interest is in the name of a family member, whose name is

C. Other Businesses

I have attached a sheet listing additional businesses in which I may have a substantial interest.

II. EMPLOYMENT

___ I am not engaged in any employment outside of the City of Hobbs.

___ I am engaged in the following employment outside of the City of Hobbs.

Name of Employer: _____

Position Title: _____

Name of Second Employer: _____

Position Title: _____

III. SIGNATURE:

I declare that I have fully read this Disclosure form and that the information I have provided in this form is true, correct and complete to the best of my knowledge and belief.

I understand that I must inform the City in writing at any time there are changes to the above information.

Name: _____ Title: _____
(Please Type or Print)

Signature: _____ Date: _____



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, elected officials, or City of Hobbs employees?

YES ___ NO ___

2. Are you, or any officer of your company related to any member of the City of Hobbs Commissioners, elected officials, or City of Hobbs employees and have you had any of the following transactions beginning the current calendar year 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, elected officials, or City of Hobbs employees, 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, 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, elected officials, or City of Hobbs employees?

YES ___ NO ___

5. Are you negotiating to employ or do you currently employ any employee, elected official, or family member of an employee or elected official for the City of Hobbs? (family means: spouse, children, grandchildren, siblings, grandparents, nieces or nephews)

6. Are you an employee of the City of Hobbs or a member of your family an employee of the City of Hobbs? (family means: spouse, children, grandchildren, siblings, grandparents, nieces or nephews)

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 _____

(Print Name and Title): _____



NON-COLLUSION AFFIDAVIT

STATE OF _____)

CITY OF _____)

_____ (name) being first duly sworn, deposes and says that he/she is (title) _____

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: _____

Title: _____

SUBSCRIBED and sworn to before me this _____ day of _____, 20_____

Notary Public: _____

My Commission Expires:



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: _____

Signature _____

Print Name _____



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: April 17th, 2017

SUBJECT: Authorizing an allocation of Lodgers' Tax funds to fund various annual events for Fiscal Year 2018.

DEPT. OF ORIGIN: Finance
DATE SUBMITTED: April 13th, 2017
SUBMITTED BY: Toby Spears, Finance Director

Summary:

On April 12th, 2017, the Lodgers' Tax Board met and recommended awarding to the Commission, various annual events for Fiscal Year 2018. The organizations and requests are listed on Exhibit A.

Fiscal Impact:

Reviewed By: [Signature]
Finance Department

March 31, 2016 Cash Balance (per Lodgers' Tax ordinance) for the Lodgers' Tax Fund is as follows:

Security and Sanitation (15%)	\$ 17,347.73
Non-Profit/For Profit/Public Entity (20%)	\$ 23,130.31
City and County (40%)	\$ 46,260.62
Airline (25%)	\$ 28,912.89
TOTAL CASH AVAILABLE	\$ 115,651.55

The 2018 budgeted lodgers' tax revenues are projected to be \$825,000.00.

Attachments:

- Exhibit A
- Financial Report for March 31, 2017
- Resolution

Legal Review:

Approved As To Form: [Signature]
City Attorney

Recommendation:

To be determined by City Commission.

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. 6538

A RESOLUTION AUTHORIZING ALLOCATION OF
LODGERS' TAX FUNDS FOR FISCAL YEAR 2018

WHEREAS, the Lodgers' Tax Advisory Board met on April 12, 2017 and recommends awarding funds to various annual events for fiscal year 2018; and

WHEREAS, the City Manager recommends the following funding be approved in order to promote various annual events for the fiscal year 2018;

	Amount Requested	City Manager's Recommendation	Lodgers' Tax Board Recommendation	City Commission Recommendation
EDC – Airline Subsidy	\$500,000.00	235,162.89	235,162.89	_____
City of Hobbs – Rockwind Golf Course-Marketing	15,000.00	15,000.00	15,000.00	_____
City of Hobbs – Core Marketing	336,260.52	336,260.520	336,260.62	_____
Lea County Event Center	150,000.00	25,000.00	25,000.00	_____
Lea County Fair & Rodeo Board	170,000.00			_____
Juneteenth	7,432.00			_____
African American Chamber of Commerce	21,100.00	4,930.31	4,930.31	_____
Community Players of Hobbs (Community Playhouse)	21,526.00			_____
Hobbs Chamber of Commerce - Hobbs Holiday Tournament/Beer & Wine Fest	19,325.23	10,000.00	10,000.00	_____
Hispano Chamber of Commerce Mariachi Christmas	20,000.00	12,000.00	10,000.00	_____
Hispano Chamber of Commerce Fiesta De Septiembre	25,000.00	16,000.00	10,000.00	_____
Hobbs Kennel Club	3,200.00	3,200.00	3,200.00	_____
Lea County Commission of the Arts	34,725.00	5,000.00	10,000.00	_____
Southwest Symphony	70,156.28	22,500.00	22,500.00	_____
Hobbs USSSA	80,000.00	70,000.00	70,000.00	_____
Western Heritage Museum Complex	50,707.50	18,000.00	18,000.00	_____
Tuff Hedeman Championship Bull Riding	20,000.00	9,000.00	10,000.00	_____
Cycle City Promotions	50,000.00	17,500.00	17,500.00	_____

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the Mayor be and hereby is authorized to allocate Lodgers' Tax Funds in the total amounts as specified herein.

PASSED, ADOPTED AND APPROVED this 17th day of April, 2017.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

City of Hobbs
Analysis of Annual Lodgers' Tax Requests/Quarterly Funding Requests

Exhibit A

Non Profit/For Profit Entities 2018 Funding Annual RFP:		City Commission Recommended	Lodgers' Tax Board Recommended	Vote Action	"DRAFT" City Manager Recommended	(Proposed) FY 2018 Requested Funding	(current) FY 2017 Approved Funding	(current) FY 2016 Approved Funding	(current) FY 2015 Approved Funding	(current) FY 2014 Approved Funding	(current) FY 2013 Approved Funding	Difference from 2015 to 2016	Category	
	EDC - Airline Subsidy		235,162.89		235,162.89	500,000.00	279,497.62	500,000.00	500,000.00	500,000.00	250,000.00	(220,502.38)	airline	
	EDC - Promotion of Airline						-	107,000.00	107,000.00	107,000.00	179,338.00	(107,000.00)	airline	
	TOTAL ALLOCATION FOR EDC	-	235,162.89		235,162.89	500,000.00	279,497.62	607,000.00	607,000.00	607,000.00	429,338.00	(327,502.38)		
	City of Hobbs Parks and Recreation-Nat. Fastpitch Assoc.							17,400.00				-	local govt	
1	City of Hobbs-Rockwind Golf Course Marketing		15,000.00	4-0 fwd Comm.	15,000.00	15,000.00	75,000.00	132,559.10	504,314.44			(429,314.44)	local govt	
2	CORE (marketing)		336,260.62	4-0 fwd Comm.	336,260.62	336,260.62		-				-	local govt	
	City of Hobbs - NMML							175,000.00						
	Hobbs Downtown Slam & Jam Gus Macker Basketball Tour.				-		78,500.00	100,000.00	125,300.00	19,645.00	46,315.00	(46,800.00)	local govt	
3	Lea County Event Center		25,000.00	4-0 rec. fund	25,000.00	150,000.00	50,000.00	50,000.00	175,000.00	163,600.00	100,000.00	(125,000.00)	local govt	
4	Lea County Fairgrounds								9,000.00	9,540.00	9,250.00	(9,000.00)	local govt	
	Lea County Fair & Rodeo Board		-	lack of motion	-	170,000.00		175,000.00	175,000.00	150,000.00	50,000.00	(175,000.00)	local govt	
	Lea County Subsidy for Lea County Airport Hanger		-		-					-	250,000.00	-	local govt	
	TOTAL ALLOCATION FOR LEA COUNTY/CITY OF HOBBS	-	376,260.62		376,260.62	671,260.62	203,500.00	649,959.10	988,614.44	342,785.00	455,565.00	(785,114.44)		
	575 Roller Babes (Awarded 3,500 dollars by Lodgers Board < 10 K)						-	3,500.00	3,500.00	3,500.00		(3,500.00)	NP	
5	Juneteenth (Awarded 7,383 dollars by Lodgers Board < 10k)		-	lack of motion	-	7,432.00	-	7,383.00	7,383.00	7,383.00	7,003.00	(7,383.00)	NP	
6	African American Chamber of Commerce		4,930.31	4-0 rec. fund	4,930.31	21,100.00	-	19,250.00	34,000.00	100,000.00	14,795.00	(34,000.00)	NP	
7	Community Players of Hobbs (Community Playhouse)		-	lack of motion	-	21,526.00	-	17,900.00	17,900.00	17,900.00	-	(17,900.00)	NP	
8	Hobbs Chamber of Commerce -Holiday Tourn/feBREWary Fest. (note: 15,347.69 Hobbs Holiday Tourney + 3,977.54 feBREWary Fest)		10,000.00	4-0 rec. fund	10,000.00	19,325.23	8,443.43	16,600.00	16,580.00	15,000.00	62,900.00	16,800.00	(15,000.00)	NP
9	Hispano Chamber of Commerce Foundation - Mariachi Christmas		10,000.00	4-0 rec. fund	12,000.00	20,000.00	13,450.00	23,500.00	24,125.00	20,000.00	20,000.00	(10,675.00)	NP	
9	Hispano Chamber of Commerce Foundation - Fiestas De Septiembre		10,000.00	4-0 rec. fund	16,000.00	25,000.00	17,500.00	26,000.00	26,025.00	25,000.00	26,000.00	(8,525.00)	NP	
10	Hobbs Kennel Club (Awarded 2,500 dollars by Lodgers Board < 10 K)	awarded by L	3,200.00	lodgers award	3,200.00	3,200.00	2,600.00	2,500.00		4,000.00	4,000.00	2,600.00	NP	
11	Lea County Commission of the Arts		10,000.00	3-1 rec fund	5,000.00	34,725.00	10,000.00	25,000.00	40,000.00		9,174.00	(30,000.00)	NP	
	Lea County Museum							25,000.00	25,000.00	50,000.00	50,000.00	(25,000.00)	NP	
	Light of Lea County						10,000.00	19,553.54	15,804.30			(5,804.30)	NP	
12	Southwest Symphony		22,500.00	3-1 rec fund	22,500.00	70,156.28	25,000.00	79,770.00	83,792.00	92,990.00	45,522.00	(58,792.00)	NP	
	United Way - Chili Fest (Awarded 9,500 dollars by Lodgers Board < 10 K)							9,500.00		9,475.00	9,425.00	-	NP	
13	Hobbs USSSA (Hobbs - 32,500/ Permian Basin - 47,500)		70,000.00	4-0 rec. fund	70,000.00	80,000.00	70,000.00	123,000.00		3,500.00		70,000.00	NP	
14	Western Heritage Museum Complex		18,000.00	4-0 rec. fund	18,000.00	50,707.50	20,000.00	50,000.00	121,850.00	96,850.00	46,500.50	(101,850.00)	public entity	
	Hobbs Jaycees Community Fund							8,150.00						
	Cinco De Mayo							10,000.00						
	Southwest Stone Carving Association													
	TOTAL ALLOCATION FOR NON-PROFITS	-	158,630.31		161,630.31	353,172.01	176,993.43	448,456.54	309,109.30	396,648.00	210,244.00	(132,115.87)		
	Tuff Hedeman Championship Bull Riding		10,000.00	4-0 rec fund	9,000.00	20,000.00	18,000.00	20,000.00			20,000.00	18,000.00	P	
16	Cycle City Promotions-Kicker Arenacross/Monster Truck (note original 2 requests = \$108,100 only \$50,000 on profit entities)		17,500.00	3-1 rec fund	17,500.00	50,000.00	35,000.00	50,000.00	50,000.00	47,700.00		(15,000.00)	P	
	IMPACTO - JAG Promotions, LLC						4,500.00	9,500.00					NP	
	TOTAL ALLOCATION FOR FOR-PROFITS	-	27,500.00		26,500.00	53,000.00	53,000.00	70,000.00	50,000.00	47,700.00	20,000.00	3,000.00		

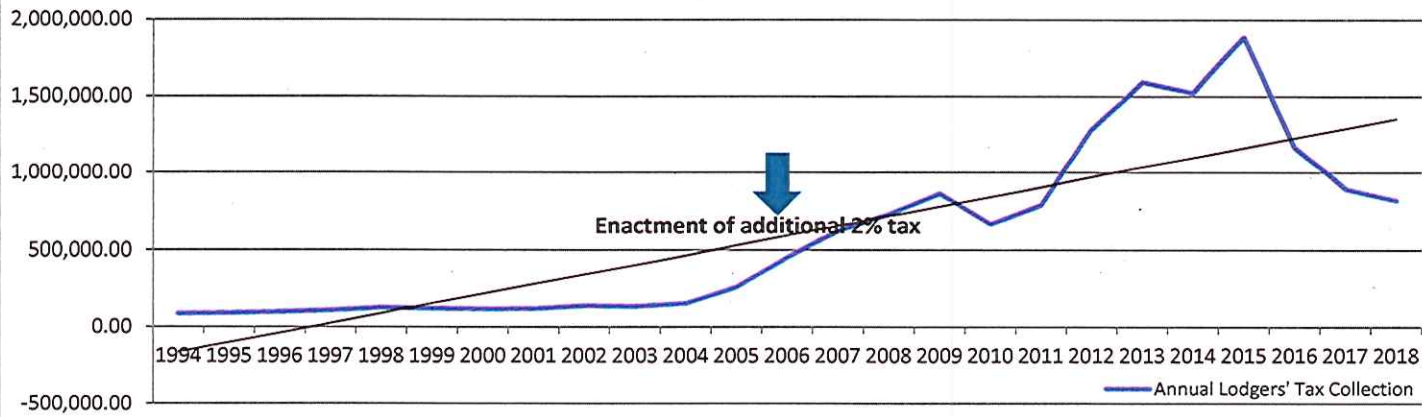
Non Profit/For Profit Entities 2018 Funding Annual RFP:	City Commission Recommended	Lodgers' Tax Board Recommended	Vote Action	"DRAFT" City Manager Recommended	(Proposed) FY 2018 Requested Funding	(current) FY 2017 Approved Funding	(current) FY 2016 Approved Funding	(current) FY 2015 Approved Funding	(current) FY 2014 Approved Funding	(current) FY 2013 Approved Funding	Difference from 2015 to 2016	Category
City of Hobbs - Fire and Police (15% allocation)		141,097.73		141,097.73	141,097.73	142,500.00	169,742.00	195,000.00	228,604.86	257,602.80	(52,500.00)	security
TOTAL REQUESTED ALLOCATION	-	938,651.55		940,651.55	1,718,530.36	855,491.05	1,945,157.64	2,149,723.74	1,622,737.86	1,372,749.80	(1,294,232.69)	

Ordinance Caps:	3-31-2017 Beginning Cash	2018 Cap Amount	2018 Cap Amount plus Beginning Cash	Requested 2017 Amount	City Manager 2018 Recommend	Lodgers Tax Board 2018 Recommend	Lodgers Recommend (Under)/Over Cap/Cash
	Security and Sanitation (15%)	17,347.73	123,750.00	141,097.73	141,097.73	141,097.73	141,097.73
Non-Profit/For Profit/Public Entity (20%)	23,130.31	165,000.00	188,130.31	406,172.01	188,130.31	186,130.31	2,000.00
City and County (40%)	46,260.62	330,000.00	376,260.62	671,260.62	376,260.62	376,260.62	-
Airline (25%)	28,912.89	206,250.00	235,162.89	500,000.00	235,162.89	235,162.89	-
TOTAL	115,651.55	825,000.00	940,651.55	1,718,530.36	940,651.55	938,651.55	2,000.00

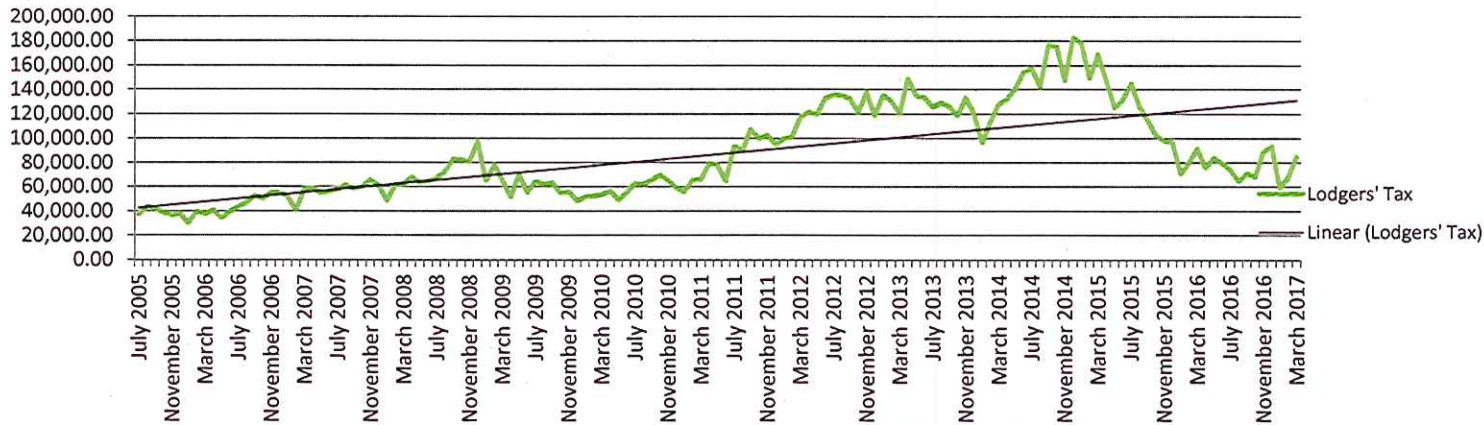
* = quarterly monitoring of lodgers' tax will determine if more allocations can be awarded.

CITY OF HOBBS LODGERS' TAX PROGRAM						
3/31/2017	AWARD					
	PROJECT			DATE	AMOUNT	ACTUAL EXPENSE
3/31/2017	CASH BALANCE					115,651.55
Proof of Cash:						
Beginning Cash Available for Profit, Non-Profit, and Public Entities (20%)						
						47,192.44
16-10	HOBBS USSSA (17 EVENTS)	4/20/2015	123,000.00	122,531.16		468.84 NP
16-27	CINCO DE MAYO COMMITTEE (CITY MGR APPROVED)	1/15/2016	10,000.00	4,340.88		5,659.12 NP
17-01	IMPACTO	4/18/2016	4,500.00	4,500.00		0.00 NP
17-02	HOBBS CHAMBER OF COMMERCE - HOBBS HOLIDAY TOURNEY	4/18/2016	8,443.43	8,141.92		301.51 NP
17-03	HISPANO CHAMBER OF COMMERCE - MARIACHI CHRISTMAS	4/18/2016	13,450.00	13,450.00		0.00 NP
17-04	HISPANO CHAMBER OF COMMERCE - FIESTA DE SEPTIEMBRE	4/18/2016	17,500.00	17,314.72		185.28 NP
17-05	HOBBS KENNEL CLUB - 2017	4/18/2016	2,600.00	1,750.00		850.00 NP
17-06	LEA COUNTY COMMISSION OF THE ARTS	4/18/2016	10,000.00	5,000.00		5,000.00 NP
17-07	LIGHT OF LEA COUNTY	4/18/2016	10,000.00	8,902.54		1,097.46 NP
17-08	SOUTHWEST SYMPHONY	4/18/2016	25,000.00	25,000.00		0.00 NP
17-09	HOBBS USSSA	4/18/2016	70,000.00	40,444.27		29,555.73 NP
17-10	WESTERN HERITAGE MUSEUM COMPLEX	4/18/2016	20,000.00	20,000.00		0.00 NP
17-11	TUFF HEDEMAN	4/18/2016	18,000.00	0.00		18,000.00 P
17-12	CYCLE CITY PROMOTIONS	4/18/2016	35,000.00	35,000.00		0.00 P
	TOTAL REMAINING ALLOCATION FOR PROFIT, NON-PROFIT AND PUBLIC ENTITIES			367,493.43	306,375.49	61,117.94
Add:	20% Monthly Tax Revenue (starting April 1st, 2013)					134,646.29
	Cash Available for Allocation					120,720.79
Beginning Cash Available for Local Government (City and County) (40%)						
						84,946.37
17-17	LEA COUNTY EVENT CENTER 2017	4/18/2016	50,000.00	25,000.00		25,000.00 LOCAL GOV
15-20	CITY OF HOBBS PUBLIC TRANSPORTATION TAXI	4/21/2014	0.00	0.00		0.00 LOCAL GOV
16-21	CITY OF HOBBS NMML 2016	1/19/2016	175,000.00	96,096.26		78,903.74 LOCAL GOV
16-19	CITY OF HOBBS ROCKWIND GOLF COURSE MARKETING	1/19/2016	132,559.10	84,353.59		48,205.51 LOCAL GOV
17-15	CITY OF HOBBS ROCKWIND GOLF COURSE MARKETING- 2017	4/18/2016	25,000.00	0.00		25,000.00 LOCAL GOV
17-17	CITY OF HOBBS VETERANS MEMORIAL - 2017	4/18/2016	50,000.00	12,512.96		37,487.04 LOCAL GOV
17-16	CITY OF HOBBS SLAM AND JAM 2017	4/18/2016	78,500.00	-4,608.50		83,108.50 LOCAL GOV
	TOTAL REMAINING ALLOCATION FOR LOCAL GOVERNMENT			511,059.10	213,354.31	297,704.79
Add:	40% Monthly Tax Revenue (starting April 1st, 2013)					269,292.58
	Cash Available for Allocation					56,534.16
Beginning Cash Available for Fire, EMS, Sanitation (15%)						
	CITY OF HOBBS - FIRE AND POLICE SUBSIDY 2015		283,028.74	283,028.74		0.00 SEC.
	CITY OF HOBBS - FIRE AND POLICE SUBSIDY 2016		174,960.59	174,960.59		0.00
	TOTAL REMAINING ALLOCATION FOR CITY OF HOBBS POLICE AND FIRE			457,989.33	457,989.33	0.00
Add:	15% Monthly Tax Revenue (starting April 1st, 2013)			174,960.59		100,984.72
	Cash Available for Allocation					0.00
Beginning Cash Available for Airline subsidy (25%)						
						56,630.92
	EDC - 2017 AIRLINE SUBSIDY (\$220,502.38 GENERAL FUND)	4/18/2016	279,497.62	278,364.62		1,133.00
Add:	25% Monthly Tax Revenue (starting April 1st, 2013)					168,307.86
	TOTAL REMAINING ALLOCATION FOR AIRLINE SUBSIDY			279,497.62	278,364.62	1,133.00
	Cash Available for Allocation					223,805.78

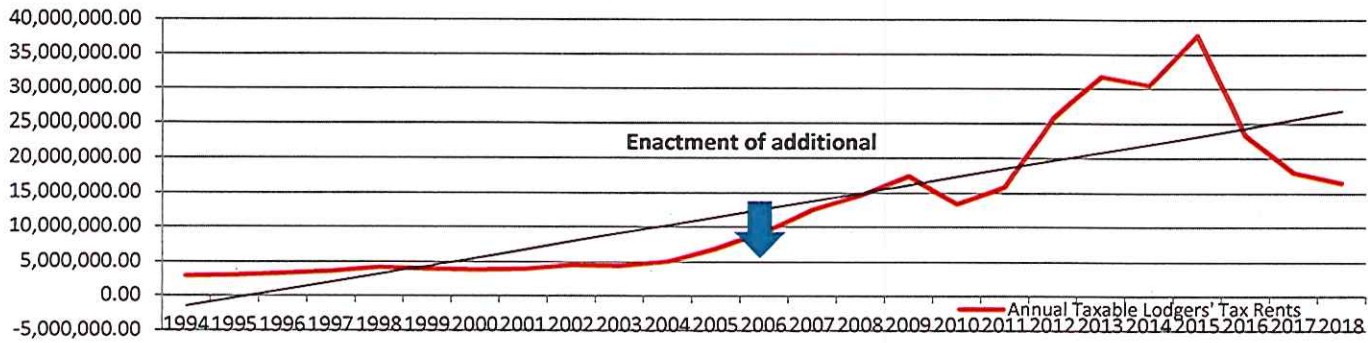
Annual Lodgers' Tax Collection



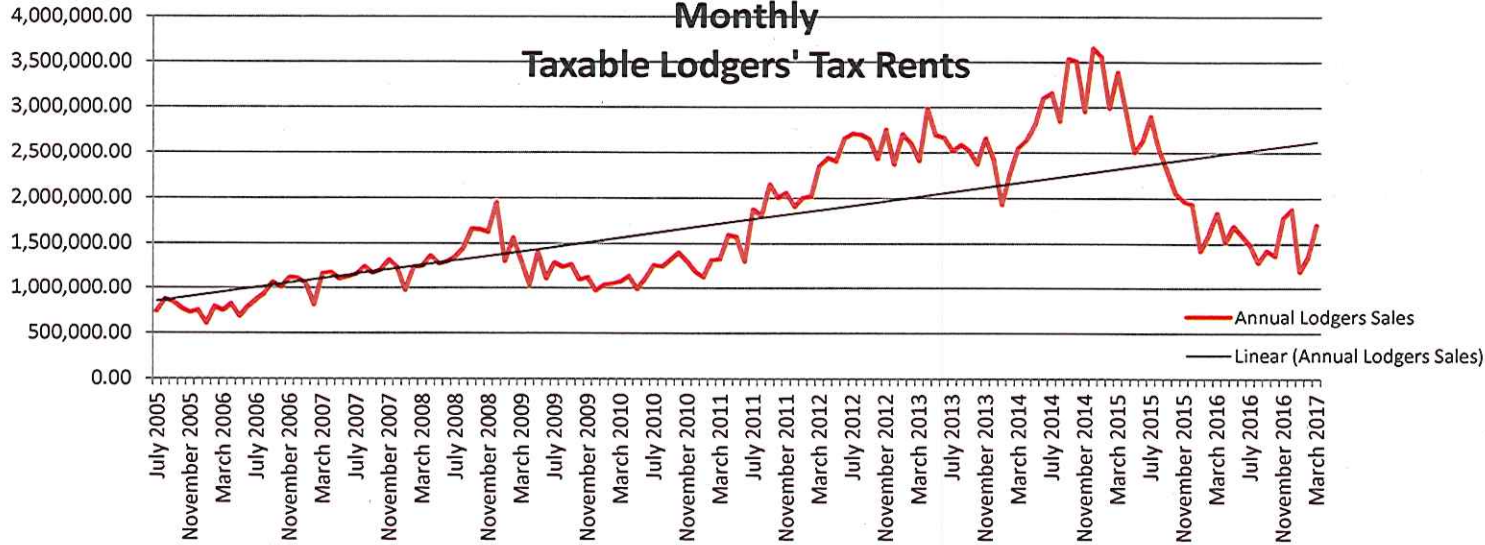
Monthly Lodgers' Tax Collection



Annual Taxable Lodgers' Tax Rents



Monthly Taxable Lodgers' Tax Rents





CITY OF HOBBS

COMMISSION STAFF SUMMARY FORM

MEETING DATE: April 17, 2017

SUBJECT: Resolution adopting budgetary adjustment #6 for the Fiscal Year 2016-2017
DEPT. OF ORIGIN: Finance Department
DATE SUBMITTED: April 12, 2017
SUBMITTED BY: Deborah Corral, Assistant Finance Director

Summary:

The fiscal budget of the City of Hobbs is adopted by resolution, and reviewed and approved by the Department of Finance & Administration. The budget is prepared prior to the beginning of the fiscal year, and as such, from time to time it becomes necessary to adjust the budget for items not contemplated at the time of its preparation, or for issues that arise during the fiscal year.

Enclosed is a budgetary adjustment #6 for the current year. A summary of the funds adjusted is attached to this resolution. After this adjustment is approved by the Commission, it must be forwarded to the Department of Finance & Administration for their approval.

Fiscal Impact:

Reviewed By: [Signature]
Finance Department

Included in this budget adjustment are an increase in both revenues and expenditures. Total Expenditures decrease by \$11,080,491.05, changing the total expenditures from \$220,574,772.80 to \$209,494,281.75 Total Revenues increase by \$100,000, changing the total revenue from \$137,751,199.89 to \$137,851,199.89. With these changes, the general fund reserve balance increases to 27%.

Attachments:

- Budget Cash Balance Sheet
- Budgeted Adjustments Detail
- Resolution approving Budget Adjustment for the fiscal year 2016-2017

Legal Review:

Approved As To Form: [Signature]
City Attorney

Recommendation:

Motion to approve the resolution.

Approved For Submittal By:

[Signature]
Department Director
[Signature]
City Manager

**CITY CLERKS USE ONLY
COMMISSION ACTION TAKEN**

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

CITY OF HOBBS
RESOLUTION NO. 6539

BUDGETARY ADJUSTMENT #6
FISCAL YEAR 2016-2017

WHEREAS, the City Commission of the City of Hobbs, New Mexico, has found it necessary to amend certain items within the fiscal year budget in order to provide for additional expenditures and transfers not contemplated at the time of the preparation of the 2016-2017 budget.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the items of the 2016-2017 fiscal budget be amended.

BE IT FURTHER RESOLVED BY THE GOVERNING BODY of the City of Hobbs, New Mexico, that the budgetary adjustments be subject to the approval of the Director of Public Finance of the State of New Mexico and that a copy of this Resolution be forwarded to his office in Santa Fe, New Mexico, for approval.

PASSED, ADOPTED AND APPROVED this 17th day of April, 2017

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

**City of Hobbs Preliminary Budget
FY17 Fund Summary (BAR #6)**

	Beginning Cash	Total Revenue	Interfund Transfer	Total Expenditures	Ending Cash
1 GENERAL	58,340,110.88	52,217,986.35	(10,481,281.51)	78,688,499.10	21,388,316.62
2 LAND ACQUISITION	500,000.00	100,000.00		500,000.00	100,000.00
General Fund Subtotal	58,840,110.88	52,317,986.35	(10,481,281.51)	79,188,499.10	21,488,316.62
11 LOCAL GOV CORR	208,018.04	265,338.00		167,000.00	306,356.04
12 POLICE PROTECTION	66,756.22	87,000.00		87,000.00	66,756.22
13 P D N (parif, drug, narcotics)	1,918.75	-			1,918.75
14 SAFER GRANT	-	158,566.69	55,923.08	213,489.77	1,000.00
15 COPS GRANT	1,000.00	341,535.62	371,495.76	660,948.02	53,083.36
16 RECREATION	21,855,151.47	38,500,000.00	41,215.31	60,347,866.78	48,500.00
17 OLDER AMERICAN	1,000.00	212,329.00	741,111.70	953,440.70	1,000.00
18 GOLF	1,000.00	857,612.88	2,249,413.65	3,021,877.99	86,148.54
19 CEMETERY	1,000.00	168,690.00	359,891.00	528,581.00	1,000.00
20 AIRPORT	295,033.20	38,300.00		36,000.00	297,333.20
23 LODGERS' TAX	188,954.74	901,200.00	(327,539.98)	700,000.00	62,614.76
27 PUBLIC TRANSPORTATION	1,000.00	805,731.18	439,770.99	1,245,502.17	1,000.00
28 FIRE PROTECTION	567,070.62	497,825.00		336,195.00	728,700.62
29 EMER MEDICAL SERV	11.00	26,365.40		26,365.40	11.00
Special Revenue Subtotals	23,187,914.04	42,860,493.77	3,931,281.51	68,324,266.83	1,655,422.49
37 COMM DEVE CONST	1,000.00	500,000.00	500,000.00	1,000,000.00	1,000.00
46 BEAUTIFICATION IMPROVEMENT	1,732,739.94			1,126,179.46	606,560.48
48 STREET IMPROVEMENTS	1,555,269.56	1,878,902.22		2,965,473.28	468,698.50
49 CITY COMM. IMPROVEMENTS	1,000.00	2,126,582.00	(2,018,982.00)		108,600.00
Capitla Project Subtotals	3,290,009.50	4,505,484.22	(1,518,982.00)	5,091,652.74	1,184,858.98
51 UTILITY BOND	-		307,004.50	307,004.50	-
53 WASTEWATER BOND	1,989,842.96		2,093,121.54	2,093,121.54	1,989,842.96
Debt Service Subtotals	1,989,842.96	-	2,400,126.04	2,400,126.04	1,989,842.96
10 SOLID WASTE	1,149,697.45	6,050,000.00		6,050,000.00	1,149,697.45
44 JOINT UTILITY EXTENSIONS CAPITAL PR	3,159,027.63	1,300,000.00		4,352,654.37	106,373.26
60 JOINT UTILITY	3,908,278.93		3,606,880.04	5,470,566.94	2,044,592.03
61 JOINT UTILITY CONST	-	238,000.00	3,327,192.28	3,565,192.28	-
62 WASTE WATER PLANT CONST	1,946,302.44	5,057,730.24	11,821,081.80	18,825,114.48	-
63 JOINT UTILITY - WASTEWATER	7,308,981.80		(1,889,407.16)	2,435,994.66	2,983,579.98
65 JOINT UTILITY INCOME - WASTEWATER	-	5,988,291.00	(5,692,891.00)		295,400.00
66 JOINT UTILITY INCOME	-	5,504,000.00	(5,504,000.00)		-
68 METER DEPOSIT RES	714,835.12	400,000.00		150,000.00	964,835.12
69 INTERNAL SUPPLY	-	550,000.00		550,000.00	-
Utility Subtotals	18,187,123.37	25,088,021.24	5,668,855.96	41,399,522.73	7,544,477.84
64 MEDICAL INSURANCE	203,976.07	6,598,052.27	-	6,609,052.27	192,976.07
67 WORKERS COMP TRUST	946,447.33	602,830.35		602,830.35	946,447.33
Internal Service Subtotal	1,150,423.40	7,200,882.62	-	7,211,882.62	1,139,423.40
70 MOTOR VEHICLE	1,346.72	4,720,000.00		4,720,000.00	1,346.72
71 MUNI JUDGE BOND FUND	175,016.84				175,016.84
72 RETIREE HEALTH INSURANCE TRUST FL	9,000,000.00	1,029,331.65	-	1,029,331.65	9,000,000.00
73 CRIME LAB FUND	74,570.55	125,000.04		125,000.04	74,570.55
75 FORECLOSURE TRUST FUND	71.88				71.88
76 RECREATION TRUST	103,032.51	-			103,032.51
77 LIBRARY TRUST	5,029.12	1,000.00		1,000.00	5,029.12
78 SENIOR CITIZEN TRUST	8,053.05	1,500.00		1,500.00	8,053.05
79 PRAIRIE HAVEN MEM	5,353.80	-			5,353.80
80 COMMUNITY PARK TRUST	1,432.05				1,432.05
82 EVIDENCE TRUST FUND	122,464.85	-			122,464.85
83 HOBBS BEAUTIFUL	22,684.49				22,684.49
86 CITY AGENCY TRUST	5,247.38	1,500.00		1,500.00	5,247.38
Trust & Agency Subtotals	9,524,303.24	5,878,331.69	-	5,878,331.69	9,524,303.24
Grant Total All Funds	116,169,727.39	137,851,199.89	-	209,494,281.75	44,526,645.53

100,000.00

(11,080,491.05)

Expenses:

Fund Org	Object	Project	DESCRIPTION	FY17 Revised Budget	New Request	FY17 New Budget	Comments
1	010206	44901	00243 New Jail	5,200,000.00	(5,200,000.00)	-	Reduce Project in Budget
1	010410	44901	00224 Central/Grimes/JHB Inter. Imp	3,000,000.00	(2,225,000.00)	775,000.00	Reduce Project Scope
1 Total					(7,425,000.00)		
23	234023	42237	Lodgers' Tax Advertising Expense	855,491.05	(155,491.05)	700,000.00	Increase to YE Payout Projection
23 Total					(155,491.05)		
62	624062	44901	00097 Sewer Line Replacement	16,014,473.50	(3,500,000.00)	12,514,473.50	Reduce Budget Allocated to Project
62 Total					(3,500,000.00)		
Grand Total					(11,080,491.05)		

Revenue:

Fund Org	Object	Project	DESCRIPTION	FY17 Revised Budget	New Request	FY17 New Budget	Comments
23	239999	30110	Lodgers' Tax Revenue	(800,000.00)	(100,000.00)	(900,000.00)	Increase to YE Actuals Projection

Transfers:	From Fund 62	(3,500,000.00)
	to General Fund (01)	3,500,000.00
	From Lodgers Tax (23)	(197,635.26)
	to General Fund (01)	154,309.02
	to Golf Fund (18)	43,326.24