

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

March 20, 2017



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

Monday, March 20, 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 March 6, 2017, Regular Commission Meeting

PROCLAMATIONS AND AWARDS OF MERIT

2. Presentation of Lifesaving Award to Hobbs Police Officer Scott Wimberly
(Police Chief Chris McCall)
3. Recognition of Chad Collins of the Parks Department as Recipient of the
City's Warrior Award (J. J. Murphy)

4. Presentation of Service Coins to Members of the Hobbs City Commission
(*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.*)

5. Resolution No. 6528 - Determining that Certain Structures are Ruined, Damaged and Dilapidated Requiring Removal from the Municipality (413 North Selman and 1304 West Sanger) (*Raymond Bonilla*)
6. Resolution No. 6529 - Authorizing Submission of a Grant Application to the New Mexico Local Government Division for the Law Enforcement Protection Fund (LEPF) for FY 17-18 in the Amount of \$87,600.00 (*Police Chief Chris McCall*)

DISCUSSION

7. Discussion of Ideas Related to a Convention and Visitors Bureau (*Meghan Mooney*)

ACTION ITEMS (Ordinances, Resolutions, Public Hearings)

8. **PUBLICATION**: Proposed Ordinance 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. Consideration of Approval of a Memorandum of Understanding and Field Use Agreement with the Hobbs Municipal Schools Regarding Veterans Memorial Complex (*Doug McDaniel*)
10. Consideration of Approval of Renewing the Professional Services Agreement with Life Skills Fore Youth of the Pecos for the First Tee Program at Rockwind Community Links (*Linda Howell*)
11. Resolution No. 6530 - Authorizing the Purchase of Two (2) Public Transportation Buses and Surveillance Cameras for Hobbs Express Under the State of New Mexico GSA Price Agreement No. 60-000-15-0015 from Creative Bus Sales in the Amount of \$283,875.00 (*Jan Fletcher*)
12. Resolution No. 6531 - Approving a Development Agreement with ABS Homes Concerning the Development of Market Rate Single Family Housing Units Located Within the Zia Crossing Subdivision (*Kevin Robinson*)

13. Resolution No. 6532 - Approving a Development Agreement with Black Gold Estates, LLC, Concerning the Development of Market Rate Single Family Housing Units Located Within the Zia Crossing Subdivision (*Kevin Robinson*)
14. Resolution No. 6533 - Approving a Development Agreement with French Brothers, Inc., Concerning the Development of Market Rate Single Family Housing Units Located Within the Zia Crossing Subdivision (*Kevin Robinson*)
15. Consideration of Approval of Task Order to Ramirez & Sons for Miscellaneous Drainage Improvements in the Amount of \$250,000.00 Including GRT (*Todd Randall*)
16. Consideration of Approval of Task Order to Ramirez & Sons for Paving Improvements on Main Street in the Amount of \$351,000.00 Including GRT (*Todd Randall*)

COMMENTS BY CITY COMMISSIONERS, CITY MANAGER

17. Next Meeting Date:

- ▶ Regular Meeting - ***Monday, April 3, 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: March 20, 2017

SUBJECT: City Commission Meeting Minutes

DEPT. OF ORIGIN: City Clerk's Office
DATE SUBMITTED: March 10, 2017
SUBMITTED BY: Jan Fletcher, City Clerk

Summary:

The following minutes are submitted for approval:

- ▶ Regular Commission Meeting of March 6, 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. _____	Continued To: _____
Ordinance No. _____	Referred To: _____
Approved _____	Denied _____
Other _____	File No. _____

Minutes of the regular meeting of the Hobbs City Commission held on Monday, March 6, 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 Marshall R. Newman
Commissioner Cynthia Calderon
Commissioner Patricia A. Taylor
Commissioner Joseph D. Calderón
Commissioner Garry A. Buie
Commissioner Don Gerth

Also present:

J. J. Murphy, City Manager
Mike Stone, City Attorney
Efren Cortez, Assistant City Attorney
Brian Dunlap, Deputy Police Chief
Charles Cunningham, Police Captain
Michael Walker, Police Captain
Manny Gomez, Fire Chief
Barry Young, Deputy Fire Chief
Shawn Williams, Fire Marshal
Andrew Gonzales, Fire Inspector
Todd Randall, City Engineer
Kevin Robinson, Development Coordinator
Ronny Choate, General Services Director
Tim Woomer, Utilities Director
Deborah Corral, Assistant Finance Director
Nicholas Goulet, Human Resources Director
Karen Nevarez, Assistant Human Resources Director
Ron Roberts, Information Technology Director
Doug McDaniel, Parks and Recreation Director
Linda Howell, Golf Course General Manager
Placido Ramirez, Parks Maintenance/Construction Supervisor
Britt Lusk, Administrative Services Director
Tanya Sanchez, Grant Writer/Administrative Services Assistant
Sandy Farrell, Library Director
Ann Betzen, Executive Assistant/Risk Manager
Mollie Maldonado, Deputy City Clerk
Jan Fletcher, City Clerk
49 citizens

Invocation and Pledge of Allegiance

Commissioner Taylor delivered the invocation and Commissioner Cynthia Calderon led the Pledge of Allegiance.

Approval of Minutes

Commissioner Newman moved that the minutes of the regular meeting held on February 6, 2017, be approved as presented. Commissioner Cynthia Calderon seconded the motion and the vote was recorded as follows: Newman yes, Cynthia Calderon yes, Joseph Calderón yes, Taylor yes, Buie yes, Gerth yes, Cobb yes. The motion carried.

Proclamations and Awards of Merit

Proclamation Proclaiming Tuesday, March 14, 2017, as "Pi Day".

Mayor Cobb proclaimed Tuesday, March 14, 2017, as "Pi Day". Mayor Cobb presented the proclamation to Fire Chief Manny Gomez, who is a New Mexico Junior College Board Member.

Recognition of Fire Marshal Shawn Williams as Recipient of the NAACP Outstanding Achievement Award.

Mr. Murphy recognized Fire Marshal Shawn Williams and stated he received the NAACP Outstanding Achievement Award at the recent NAACP banquet.

Recognition of HFD Driver Engineer Mike Nelson as Recipient of the City's Warrior Award.

Mr. Murphy presented the City's Warrior Award to Mr. Mike Nelson, Hobbs Fire Department Driver Engineer. He stated Mr. Nelson has been coordinating the Toys for Tots Program for seven years. Mr. Murphy stated Mr. Nelson truly lives by the City's mission statement.

Mr. Murphy stated seven new firefighters have been hired as part of the SAFER Grant approved by the Commission. He recognized the following new firefighters: Mr. Antonio Alarcon, Mr. Mario Contreras, Mr. Marcus Ayala, Mr. Cutter Edwards, Mr. Matthew Clark, Ms. Casey Dawson and Ms. Beatrice Aldrete.

Public Comments

Ms. Geni Cavanaugh with Southwest Symphony thanked the Mayor, City Commission and Mr. Murphy for their support in the Southwest Symphony season. She stated the organization is now a part of the 21st Century Grant Program operated by the Hobbs Municipal Schools. Ms. Cavanaugh stated a two-week Strings Camp will be held as part of the program. She invited the Commission to a special event being held on Friday, March 10, 2017, at 7:00 p.m., at Crosswinds Community Church.

Consent Agenda

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. 6518 - Authorizing the Mayor to Execute a Lease Amendment with Congressman Steve Pearce for Office Space on the Second Floor of the City Hall Annex.

Resolution No. 6519 - Supporting the Submission of a Local Government Road Fund Application (COOP Grant) to the New Mexico Department of Transportation for Traffic Signal Improvements in Hobbs.

Resolution No. 6520 - Authorizing an Application for Funding to the New Mexico Environment Department Under the Clean Water State Revolving Fund (CWSRF) for Engineering and Construction of New Aerobic Digestion Basins.

Resolution No. 6521 - Opposing House Bill 174 Regarding Adoption of the "Local Election Act".

Resolution No. 6522 - Authorizing the Appointment of Helen Houston to the Community Affairs Board.

Commissioner Buie seconded the motion and the vote was recorded as follows: Newman yes, Cynthia Calderon yes, Taylor yes, Joseph Calderón yes, Buie yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution, agreement and supporting documentation are attached and made a part of these minutes.

Discussion

There were no discussions presented.

Action Items

Resolution No. 6523 - Amending Resolution No. 6466 Authorizing Submission of a Grant Application for Public Transportation for FY 17-18 to Include Required Language Regarding Commitment of Local Matching Funds.

Ms. Jan Fletcher, City Clerk, stated the Commission approved Resolution 6466 - Support for FY 17-18 Grant Application for Public Transportation on August 1, 2016. She stated a new provision requires that the resolution of support include a dollar amount committing the local matching funds for the grant which Resolution No. 6466 did not contain. Ms. Fletcher stated the local matching fund amount of \$430,439.00 is the same amount as originally requested last August. She stated the actual grant amount could be less as 100% funding is not usually awarded.

In reply to Mayor Cobb's question, Ms. Fletcher stated the ridership is maintaining at 50,000 trips annually. She stated public transportation is very well liked in the community.

There being no further comments, Commissioner Taylor moved that Resolution No. 6523 be adopted as presented. Commissioner Buie seconded the motion and the vote was recorded as follows: Newman yes, Cynthia Calderon yes, Taylor yes, Joseph Calderón yes, Buie yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and supporting documents are attached and made a part of these minutes.

Resolution No. 6524 - Supporting the Submission of a Municipal Arterial Program (MAP) Application to the New Mexico Department of Transportation for North Grimes Street Improvements in Hobbs.

Mr. Todd Randall, City Engineer, explained the application and stated the purpose of the Municipal Arterial Program (MAP) program is to assist municipalities in project development; construction, reconstruction, improvements and extensions of rural State highways and other streets not on the State highway system but determined to qualify under designated criteria. He stated, in general, the criteria for eligibility is the degree to which the route would assist in the distribution of State highway system traffic. Mr. Randall stated City staff recommends roadway improvements to North Grimes Street. He stated the improvements include the reconstruction of the roadway, widening the pavement to accommodate 2' wide shoulders and re-striping to add a center turn lane.

In response to Commissioner Newman's question, Mr. Randall stated the North Grimes Street improvements will end at the corporate boundaries.

In reply to Commissioner Gerth's inquiry, Mr. Randall stated the widening of College Lane is on the ICIP list.

There being no further comments, Commissioner Buie moved that Resolution No. 6524 be adopted as presented. Commissioner Newman seconded the motion and the vote was recorded as follows: Newman yes, Cynthia Calderon yes, Taylor yes, Joseph Calderón yes, Buie yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and supporting documents are attached and made a part of these minutes. PUBLICATION: Proposed Ordinance Amending Section 2.56.580 of the Hobbs Municipal Code Relating to Nepotism.

Mr. Nicholas Goulet, Human Resources Director, explained the proposed ordinance and stated the City, in the past, has had a pool of approximately 170 applicants to fill the 155 seasonal positions. He stated that basically all applications will get hired because there is no room to weed out unsuitable applicants. He stated the seasonal positions will increase when the C.O.R.E. 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.

Commissioner Gerth stated the proposed nepotism ordinance opens up possible problems for the City.

In response to Commissioner Newman's question, Mr. Goulet stated the Commission may either approve the proposed nepotism ordinance for publication or not approve it and it would die for a lack of approval.

Mayor Cobb stated he understands the perception of City staff hiring relatives. He recommended the Commission approve the proposed nepotism ordinance for publication and then receive the public's input on the topic.

In response to Commissioner Newman's question, Mr. Goulet stated the third degree of kindred includes great-grandparent, uncle/aunt, nephew/niece and great-grandchild.

Commissioner Buie stated the proposed ordinance could create conflicts in the workplace. He stated the revised recommendations are a bad idea.

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

Resolution No. 6525 - Approving a Development Agreement with KASS Investment Group, LLC, Concerning the Development of a Parcel of Land Located Southeast of the Intersection of Apache Drive and North Grimes Street.

Mr. Kevin Robinson, Development Coordinator, stated the City of Hobbs is proposing to enter into a development agreement with KASS Investment Group concerning the development of property located southeast of the intersection of Apache Drive and North Grimes Street. He stated a similar development agreement with Mr. Jesus M. Castro was approved on August 19, 2013, for a meat market which did not occur. Mr. Robinson stated the development agreement would require the developer to develop to City standards that portion of Apache Drive fronting the parcels North of the property line, including all required infrastructure. He stated the development agreement allows the developer to pay for the fair share assessment of the infrastructure improvements to be located within Apache Drive that will be built concurrently with the development extending to the developer's northeast property line. Mr. Robinson stated the municipality annexed the property located northeast of the intersection of Apache Drive and North Grimes; therefore, the development of this parcel would also require infrastructure improvements in Apache Drive. He stated a future development agreement with this developer will allow the development of Apache Drive as a single unit.

In response to Mayor Cobb's inquiry, Mr. Nadeem Kassis with KASS Investment Group stated the mini shopping center will include a Firehouse Subs and will have four other tenants which are unknown at this time.

Commissioner Buie stated the mini shopping center is a great idea and thanked Mr. Kassis for his investment in the community.

There being no further comments, Commissioner Buie moved that Resolution No. 6525 be adopted as presented. Commissioner Taylor seconded the motion and the vote was recorded as follows: Newman yes, Cynthia Calderon yes, Taylor yes, Joseph Calderón

yes, Buie yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and supporting documents are attached and made a part of these minutes.

Resolution No. 6526 - Authorizing a CDBG Grant Agreement for the 2016 Hobbs CDBG Infrastructure Improvements Project.

Mr. Todd Randall, City Engineer, stated the City has been awarded \$500,000.00 in CDBG funds for the 2016 CDBG funding cycle. He stated the streets to receive these improvements will be Humble Street from Dal Paso to the alley East of Jefferson and on First, Farquhar and Jefferson from the alley North of Humble to Main Street. Mr. Randall stated this project will include infrastructure improvements of pavement reconstruction, curb and gutter, sidewalk and ADA improvements. He stated this project should be completed by year end in order to apply for the next cycle of CDBG funds for additional City improvements.

There being no comments, Commissioner Joseph Calderón moved that Resolution No. 6526 be adopted as presented. Commissioner Taylor seconded the motion and the vote was recorded as follows: Newman yes, Cynthia Calderon yes, Taylor yes, Joseph Calderón yes, Buie yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and supporting documents are attached and made a part of these minutes.

Resolution No. 6527 - Adopting Budgetary Adjustment #5 for FY 16-17.

Ms. Deborah Corral, Assistant Finance Director, stated the budget is prepared prior to the beginning of the fiscal year and 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. She stated the budgetary adjustment includes an increase in both revenues and expenditures. She stated the total expenditures increased by \$5,212.00 changing the total expenditures from \$220,569,560.80 to \$220,574,772.80. Ms. Corral provided good news and stated the total revenues increase by \$176,185.00 changing the total revenue from \$137,575,014.89 to \$137,751,199.89. She stated these changes do not alter the general fund reserve as it remains at 12%. Ms. Corral added that once approved by the Commission, the resolution must be forwarded to the Department of Finance and Administration for its approval.

There being no comments, Commissioner Gerth moved that Resolution No. 6527 be adopted as presented. Commissioner Cynthia Calderon seconded the motion and the vote was recorded as follows: Newman yes, Cynthia Calderon yes, Taylor yes, Joseph Calderón yes, Buie yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and supporting documents are attached and made a part of these minutes.

Consideration of RFP No. 485-17 for Professional Engineering Services for the Aerobic Digester Project and Recommendation to Accept Proposal from Bohannan Huston, Inc.

Mr. Tim Woomer, Utilities Director, explained RFP No. 485-17 and stated the request for proposal is to provide professional engineering services in the design, funding, and construction of new aerobic digestion basins, and related appurtenances, at the Wastewater Reclamation Facility. He stated Bohannan Huston, Inc., of Albuquerque, was evaluated the highest by the evaluation team. Mr. Woomer stated an agreement has been negotiated with Bohannan Huston, Inc., with a scope of work developed, including a not-to-exceed cost proposal, to provide professional engineering services in the design and funding of project. He stated the scope of work consists of five milestones, or deliverables, with individual schedules of completion after which liquidated damages will apply. Mr. Woomer stated the existing basins have been patched and refurbished in the past but now need to be replaced.

In response to Commissioner Gerth's question, Mr. Woomer stated the storage tanks will be emerged halfway into the ground.

In reply to Commissioner Taylor's question, Mr. Woomer stated the aerobic digester process is odorless. He stated most of the odors at the plant are a result of the waste being disposed by the septic haulers.

In response to Commissioner Cynthia Calderon's inquiry, Mr. Woomer suggested she contact the staff at the Waste Water Treatment Plant who will provide a tour of the facility. He stated they do many tours for other groups and organizations.

In answer to Commissioner Gerth's question, Mr. Woomer stated the life span of the facility is 30 years. He stated the old one has lasted 50 years.

In reply to Mayor Cobb's inquiry, Mr. Woomer stated Legislative grants in the amount of \$200,000.00 will be utilized toward the cost of the design of the Aerobic Digester Project.

There being no further discussion, Commissioner Joseph Calderón moved to approve RFP No. 485-17 for professional engineering services for the Aerobic Digester Project to Bohannan Huston, Inc. Commissioner Buie seconded the motion and the vote was recorded as follows: Newman yes, Cynthia Calderon yes, Taylor yes, Joseph Calderón yes, Buie yes, Gerth yes, Cobb yes. The motion carried. A copy of the supporting documentation is attached and made a part of these minutes.

Consideration of Approval of a Professional Services Agreement Between the City of Hobbs and the Lea County Humane Society, Inc.

Mr. Britt Lusk, Administrative Services Director, explained the partnership between the Lea County Humane Society (LCHS) and the City of Hobbs and the shared commitment to become a no-kill facility. He stated the LCHS provides two staff employees to assist with daily care, including cleaning of pens and feeding of the animals at the Center. Mr. Lusk stated the LCHS staff also assists in multiple adoption events, shot clinics, and issues spay and neuter certificates to Lea County residents. He stated the partnership includes a rescue transport that rescues thousands of animals annually by transporting them to places for adoption nationally and internationally.

Ms. Missy Funk, Hobbs Animal Adoption Center Manager (HAAC), presented statistics from 2010 through 2016 on the number of animals taken in at the facility and the number of animals that are euthanized. She stated the low stats for euthanization are attributed to the hard work of the LCHS.

Mr. Pete Turner with the LCHS stated Ms. Funk is the force that keeps the HAAC going. He stated the animals that are euthanized are mainly the animals that are sick and are not adoptable. Mr. Turner gave the history and background of the creation of the HAAC.

Mr. Mike Stone, City Attorney, recognized the LCHS Board members present in the audience.

There being no further discussion, Commissioner Joseph Calderón moved to approve the professional services agreement with the LCHS as presented. Commissioner Newman seconded the motion and the vote was recorded as follows: Newman yes, Cynthia Calderon yes, Taylor yes, Joseph Calderón yes, Buie yes, Gerth yes, Cobb yes. The motion carried. A copy of the supporting documentation is attached and made a part of these minutes

Comments by City Commissioners, City Manager

Mayor Cobb recognized Ms. Helen Houston who was appointed to the Community Affairs Board earlier in the meeting.

Commissioner Joseph Calderón stated he attended "Evening with Lea County" as well as the "Municipal Day" in Santa Fe. He stated he met with Mr. Luke Otero who is the City of Hobbs Lobbyist. Commissioner Joseph Calderón stated he also had breakfast with Senator Carroll Leavell.

Commissioner Taylor stated she also attended "Municipal Day" in Santa Fe which was a great experience.

Commissioner Taylor thanked the Parks and Recreation Department for all they do with the City's parks and restrooms. She stated she has received compliments on Booker T. Washington Park and Martin Luther King Soccerplex.

Commissioner Gerth stated he also attended the "Evening with Lea County" as well as the "Municipal Day" in Santa Fe. He stated both trips were very educational. He stated he took the opportunity to inform people from the Northern part of the State of the reasons why Southeastern New Mexico is very important to the State's revenue. Commissioner Gerth stated he learned that Commissioner Joseph Calderón previously served as Sergeant-at-Arms at the Legislature for four years.

Commissioner Cynthia Calderon stated she also attended "Evening with Lea County" as well as the "Municipal Day" in Santa Fe. She stated it was very educational. Commissioner Cynthia Calderon stated that people from Northern New Mexico do not understand how important the City of Hobbs is to the State's revenues.

Commissioner Cynthia Calderon thanked all 18 viewers for watching the livestream of tonight's Commission meeting.

Commissioner Taylor thanked the NAACP for hosting a great banquet and also thanked the City for its attendance at the banquet.

Commissioner Buie also thanked the Parks and Recreation Department for all they do in the community. He stated the Lovington Hwy. Health Trail looks great.

Mayor Cobb stated he also attended "Evening with Lea County" as well as the "Municipal Day" in Santa Fe. He stated he engaged with representatives and educated them on what Hobbs means to the oil and gas industry.

Mr. Murphy stated he will be traveling to Albuquerque, New Mexico, to the New Mexico, to attend the Hobbs High School basketball games and to Santa Fe, New Mexico, to meet with Mr. Luke Otero.

Mr. Murphy stated he and Commissioners Joseph Calderón and Taylor met with a private developer that is interested in partnering on the Taylor Ranch project.

Closed Sessions

Mayor Cobb stated the City Commission convened in closed session on Wednesday, March 6, 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.

Adjournment

There being no further discussion or business, Commissioner Joseph Calderón moved that the meeting adjourn. Commissioner Newman seconded the motion. The vote was recorded as follows: Newman yes, Cynthia Calderon yes, Taylor yes, Joseph Calderón yes, Buie yes, Gerth yes, Cobb yes. The motion carried. The meeting adjourned at 7:30 p.m.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk



CONSENT AGENDA



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: March 20, 2017

SUBJECT: Condemnation Recommendation Properties Contained on Attachment "A"
DEPT. OF ORIGIN: Community Services
DATE SUBMITTED: March 13, 2017
SUBMITTED BY: Raymond Bonilla. Community Services

Summary:

In its continuing promotion of safety and clean up efforts in the City of Hobbs, the Environmental Division of the Hobbs Community Services has identified two properties which present safety and fire hazards which warrant their clean up. These properties are in dire need of clean up. Attachment A contains information of the properties.

Fiscal Impact:

Reviewed By: [Signature] Finance Department

The clean up of these properties will cost approximately \$10,000.00. The current budget in the "Professional Services" line item of the Environmental Budget (01340-42601) has an adequate balance to sustain this expenditure.

Attachments:

- 1. Resolution
2. Photos of Properties contained in Attachment A.

Legal Review:

Approved As To Form: [Signature] City Attorney

Recommendation:

The City Commission approve the adoption of the Resolution determining the properties are unsanitary and a menace to public health and safety and they require clean up of debris and solid waste.

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. 6528

**A RESOLUTION DETERMINING THAT CERTAIN
STRUCTURES ARE RUINED, DAMAGED AND DILAPIDATED,
ARE A MENACE TO PUBLIC COMFORT, HEALTH AND
SAFETY AND REQUIRES REMOVAL FROM THE MUNICIPALITY**

WHEREAS, pursuant to Section 8.24.010 of the Hobbs Municipal Code, and Section 3-18-5 NMSA, as amended, the City has inspected the premises described in Attachment "A", attached hereto and incorporated herein by reference, and finds that the structures thereon are ruined, damaged and dilapidated, are a menace to the public comfort, health and safety and requires removal from the municipality.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the structures described in Attachment "A" are found to be ruined, damaged and dilapidated, are a menace to the public comfort, health and safety, and should be removed.

BE IT FURTHER RESOLVED that a copy of this Resolution be served on the owner, occupant or agent in charge of such premises; or, if such service cannot be had, that a copy of this Resolution be posted on the premises; and that a copy of the same be published as required by law.

BE IT FURTHER RESOLVED that unless the owner, occupant or agent in charge of such premises, within ten (10) days from such service or posting and publication of this Resolution, has commenced removing such structures from the real property or has filed written objection with the City, the City shall cause the removal of such structures at the cost and expense of the property owner.

BE IT FURTHER RESOLVED that in cases where the City removes a structure so condemned, a lien shall be levied by the City against the real property involved in an amount equal to the reasonable cost of the services rendered, which lien may be foreclosed in default of satisfaction.

PASSED, ADOPTED AND APPROVED this 20th day of March, 2017.

ATTEST:

SAM D. COBB , Mayor

JAN FLETCHER, City Clerk

Attachment A

	Address	Owner	Owner's Address	Estimated Cost of Demolition
1	413 N. Selman Lot 1A, Block 101 Highland Park Addition Hobbs, Lea County, New Mexico	Juan N Lara Prieto	517 E. Alston Hobbs, NM 88240	\$ 5,000.00
2	1304 W. Sanger Lot 18, Block 15, Unit 1 Dale Bellamah Addition Hobbs, Lea County, New Mexico	William Noble	3254 Bacon St. Vernon, TX 76384	\$ 5,000.00



1304 W Sanger



1304 W Sanger



1304 W Sanger



1304 W Sanger



413 n. selman



413 ~ Selman



413 N Selman



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: March 20, 2017

SUBJECT: Law Enforcement Protection Fund (LEPF) allocations.
DEPT. OF ORIGIN: Police Department
DATE SUBMITTED: March 8, 2017
SUBMITTED BY: Captain Charles Cunningham – Police Department

Summary:

Annually, the Hobbs Police Department applies for the Law Enforcement Protection Fund (LEPF) allocated by the State of New Mexico Local Government Division (LGD). These funds are distributed to local law enforcement agencies pursuant to Chapter 29, Article 13 NMSA 1978. The City of Hobbs, New Mexico is a Class 2 Municipality and is allotted a base amount of \$30,000.00. An additional \$600.00 will be awarded for each Hobbs Police Officer who is Certified on or by July 1, 2017. A total amount of \$87,600 is being requested for FY 2017-18 and will be appropriated as follows:

- \$60,000.00 – Law Enforcement Training
- \$27,600.00 – Law Enforcement Equipment

Fiscal Impact:

There is no fiscal impact to the City of Hobbs. The amount awarded will be shown as an additional funding source for training and equipment for the Hobbs Police Department for budget year 2017-18. **There will be periodic distribution allotments by the LGD of the amount awarded in lieu of one lump distribution amount (HB4). The distribution cycle is expected to be announced on or by May 1, 2017.**

Reviewed By:  Finance Department

Attachments:

Completed Law Enforcement Protection Fund Application and Guidelines.

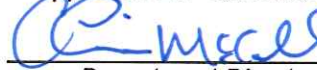
Legal Review:

Approved As To Form:  City Attorney

Recommendation:

A resolution authorizing the submission of the LEPF application and subsequent acceptance of any funds awarded.

Approved For Submittal By:


Department Director


City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

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

CITY OF HOBBS

RESOLUTION NO. 6529

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A
GRANT APPLICATION WITH THE
NEW MEXICO LOCAL GOVERNMENT DIVISION
FOR THE LAW ENFORCEMENT PROTECTION FUND FY 2017-18

WHEREAS, the Hobbs Police Department is eligible to participate in the FY 2017-18 Law Enforcement Protection Fund ("LEPF") through the State of New Mexico Local Government Division; and

WHEREAS, the total amount applied for is \$87,600.00; and

WHEREAS, these funds will be appropriated as follows: \$60,000.00 for Law Enforcement Training and \$27,600.00 for Law Enforcement Equipment.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the Mayor be and he hereby authorizes the submission of the LEPF grant application for FY 2017-18.

PASSED, ADOPTED AND APPROVED this 20th day of March, 2017.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

APPLICATION FOR LAW ENFORCEMENT PROTECTION FUNDS
FOR CLASS 2 MUNICIPALITIES AND COUNTIES
PURSUANT TO CHAPTER 29, ARTICLE 13 NMSA 1978
FOR THE JULY 1, 2017 - JUNE 30, 2018 FISCAL YEAR

I. Municipality or County: Hobbs, NM

II. Computation of Proposed Distribution:

A. Class 2 (Population per 2010 Census = 20,001 to 160,000) \$30,000

B. Total Number of Full-Time Certified Police Officers
or Sheriff Deputies (*) multiplied by \$600 (**):

96 X \$600 = \$57,600

(*) Each officer or Deputy listed on Supplemental Schedule (page 2) must be certified by the New Mexico Police Academy pursuant to Section 29-7-8 NMSA or authorized as a New Mexico Peace Officer pursuant to Section 29-1-11 NMSA. Certification status of officers for whom the award is requested must be current on the March 31, 2017 DPS Registry or officers must be enrolled in the New Mexico Police Academy with an anticipated graduation date prior to or on July 1, 2017.

C. Total Requested Distribution** (A + B) \$87,600


III. Amounts distributed from the Law Enforcement Protection Fund must be expended only for the purposes allowed by Section 29-13-7 NMSA 1978. Please itemize the proposed use of these funds below:

A.	Repair and purchase of law enforcement apparatus and equipment which meet minimum nationally recognized standards. (Please Note: regular maintenance on vehicles and police equipment; office furniture and supplies; or operating expenses are not allowable expenses) Rule 2 NMAC 110.3	\$ 27,600
B.	Expenses associated with advanced law enforcement planning and training.	\$60,000
C.	Complying with match or contribution requirements for the receipt of federal funds relating to criminal justice programs.	
D.	New Mexico Finance Authority Loan Intercept Agreement.	
E.	TOTAL REQUESTED EXPENDITURES**	\$ 87,600

**Total Requested Expenditures (Section III) must equal Total Requested Distribution (Section II).

IV. **CERTIFICATION:** Under penalty of law, we hereby certify that to the best of our knowledge and belief, the information contained in this application is correct, and that all expenditures of Law Enforcement Protection Fund monies will be made in accordance with Sections 29-13-7 and 29-13-9 NMSA 1978 as well as Rule 2 NMAC 110.3.

Mayor/Chairman



Police Chief or Sheriff

3/8/17

Date

(**) Per officer rate is based on current law as of 2/23/17.

Municipality/County: City of Hobbs/Lea County Contact Person: Captain Charles Cunningham
 575-397-9259 ccunningham@hobbsnm.org

APPLICATION FOR LAW ENFORCEMENT PROTECTION FUNDS
 FOR MUNICIPALITIES AND COUNTIES
 PURSUANT TO CHAPTER 29, ARTICLE 13 NMSA 1978
 FOR JULY 1, 2017 – JUNE 30, 2018 FISCAL YEAR

SUPPLEMENTAL SCHEDULE

Instructions: List the name, certificate number, and date of certification of all full-time police officers and sheriff deputies certified by the New Mexico Law Enforcement Academy pursuant to section 29-7-8 NMSA or authorized to act as a New Mexico peace officer pursuant to Section 29-1-11 NMSA 1978. Please photocopy this form if additional space is needed.

Name of Full-Time Certified Police Officer and Sheriff Deputies	Certificate Number	Certification Date
1. Aguirre, Laura	10-0090-P	06/08/10-B
2. Aldrete, Fidel	99-0336-P	11/29/99-B
3. Anguiano, Ashley	16-0094-P	04/01/16-W
4. Barrientes, Marina	11-0306-P	12/08/11-B
5. Benavides, John	01-0274-P	12/07/01-B
6. Benson, Stanley	02-0232-P	12/12/02-B
7. Berdoza, Eric	13-0341-P	12/11/13-B
8. Blanchard, Robert	09-0067-P	06/12/09-B
9. Blevins, Shane	06-0185-P	11/29/06-B
10. Brackeen, Troy	04-0273-P	12/08/04-B
11. Brown, Kelly	04-0273-P	05/15/00-B
12. Buescher, Drew	03-0284-P	12/12/03-B
13. Burke, Brian	14-0284-P	09/19/14-W
14. Burrelson, Matthew	13-0050-P	04/04/13-W
15. Campitella, Christopher	14-0241-P	09/19/14-W
16. Clark, Joe	02-0236-P	12/02/02-B
17. Clemmer, Joseph Boone	09-0267-P	12/11/09-B
18. Cunningham, Charles	96-0125-P	05/17/96-B
19. Delafuente, Antonio	97-0293-P	09/22/97-B
20. DeSantiago, Jose	14-0049-P	03/21/14-W
21. Dimock, Todd	16-0164-P	06/15/16-B
22. Dunlap, Brian	99-0027-P	01/08/99-B
23. Eubank, Nathan	06-0076-P	06/08/06-B
24. Evans, Douglas	11-0184-P	08/19/11-W
25. Faulkner, Douglas	15-0151-P	05/21/15-B
26. Fermin, Yvette	Pending BPOT	06/30/17-B
27. Ford, Jenna	15-0056-P	03/13/15-W
28. Ford, Seth	15-0057-P	03/13/15-W

Name of Full-Time Certified Police Officer and Sheriff Deputies	Certificate Number	Certification Date
29. Frederiksen, Robert F.	13-0053-P	04/04/13-W
30. Garcia, Diana	12-0320-P	12/13/13-B
31. Garrett, Danny	07-0061-P	06/13/07-B
32. Generotzky, Brian	09-0071-P	06/12/09-B
33. Glass, Robert	Pending BPOT	06/30/17-B
34. Gomez, Christopher Eli	04-0019-P	06/03/04-B
35. Gordon, Joshua	15-0059-P	03/13/15-W
36. Grady, Teresa	14-0050-P	03/21/14-W
37. Grimes, James	14-0243-P	09/19/14-W
38. Guerrero, Ricky L.	12-0067-P	05/04/12-W
39. Guy, Jason Larry	14-0141-P	05/02/14-B
40. Hammer, Robert S.	14-0244-P	09/19/14-W
41. Hardison, Shawn	01-0087-P	06/01/01-B
42. Harrington, Ward	14-0245-P	09/19/14-W
43. Hawkins, Jerry	07-0259-P	12/14/07-B
44. Helton, Corey	94-0417-P	12/09/94-B
45. Herndon, Andrew M.	13-0250-P	10/04/13-W
46. Herrera, Jason	09-0073-P	06/12/09-B
47. Hoff, Jayson	15-0159-P	05/21/15-B
48. Hopper, Royal	13-0054-P	04/04/13-W
49. Ingley, Brendan	01-0277-P	12/07/01-B
50. Jackson, Travis	03-0289-P	12/12/03-B
51. James, Joshua	15-0061-P	03/13/15-W
52. Keenan, Scott	97-0370-P	10/09/97-W
53. Kirk, Jeremy Scott	14-0143-P	05/02/14-B
54. Labastida, Rafael	06-0082-P	06/08/06-B
55. Mann, Nikolas	Pending BPOT	06/30/17-B
56. Marin, Crystal	13-0346-P	12/11/13-B
57. Marinovich, Brandon N.	14-0148-P	05/02/14-B
58. Martinez, Carlos	02-0221-P	09/30/02-B
59. Martinez, Isaac	07-0157-P	09/14/07-B
60. Martinez, Kevin	14-0052-P	03/21/14-W
61. Mattocks, Alvin	13-0253-P	10/04/13-W
62. McCall, Christopher	99-0347-P	12/03/99-B
63. McEachern, Timothy Wayne	13-0056-P	04/04/13-W
64. Miller, Clipper	99-0343-P	11/29/99-B
65. Mills, Randy	15-0247-P	10/30/15-W
66. Mills, Stephanie	16-0336-P	12/02/16-B
67. Moen, Ryan	13-0058-P	04/04/13-W
68. Molinaro, Reanna C.	14-0149-P	05/02/14-B
69. Mora, Isidro	Pending BPOT	06/30/17-B
70. Moyers, Jeffrey	93-0137-P	06/04/93-B
71. Munro, Mark	07-0263-P	12/14/07-B
72. Olenik, Matthew S.	14-0055-P	03/21/14-W

SUSANA MARTINEZ
GOVERNOR



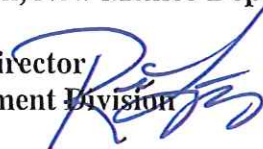
DUFFY RODRIGUEZ
CABINET SECRETARY DESIGNATE

RICK LOPEZ
DIRECTOR

MICHAEL MARIANO
ACTING DEPUTY DIRECTOR

STATE OF NEW MEXICO
DEPARTMENT OF FINANCE AND ADMINISTRATION
LOCAL GOVERNMENT DIVISION
Bataan Memorial Building ♦ 407 Galisteo St. ♦ Suite 202 ♦ Santa Fe, NM 87501
PHONE (505) 827-4950 ♦ FAX (505) 827-4948

TO: Chief Law Enforcement Officers
Joaquin Nielsen, New Mexico Department of Public Safety

FROM: Rick Lopez, Director
Local Government Division 

DATE: February 23, 2017

RE: Law Enforcement Protection Fund Application

Attached are the application and instructions for the Law Enforcement Protection Fund. We ask that you return the completed application to the Local Government Division (LGD) with a postmark date no later than March 31, 2017. Applications submitted after that date or incomplete may be denied.

The LGD is required by Section 29-13-4.A NMSA 1978 to determine the relative needs of all local law enforcement agencies by April 15. In order to meet this statutory requirement, it is imperative that LGD receive all applications by **March 31, 2017**.

There are three important items to focus on in filling out the application. First, all parts of the application must be completed. Second, the mayor or chairman and police chief or sheriff – not their designees - must sign the application. Third, the application must include the names of certified officers on the Supplemental Schedule.

The Department of Public Safety (DPS) verifies the certification of officers. All officers for whom the \$600 award is requested must be certified by July 1, 2017. On your LEPF application, for an officer to be funded, their name must appear on the March 31, 2017 DPS Registry, or must be enrolled in the New Mexico Police Academy with an anticipated graduation date prior to or on July 1, 2017. Therefore, please verify the officers for whom you are requesting funding are listed on the DPS registry. See Section 10.29.9.10 of New Mexico Administrative Code (NMAC) for registry reporting requirements.

The application no longer requests a Social Security Number (SSN) for officers. During the application review process, LGD may request it to match an officer to the DPS Registry. If the SSN is requested, LGD will hold this information as confidential and destroy it after verification.

The amounts listed on the application and instructions are based on current law as of February 23, 2017. If legislation is enacted, amounts may be adjusted when distributions are determined. House Bill 4, signed into law on January 31, 2017, requires periodic distributions instead of one annual distribution. LGD is currently determining what the periodic distribution cycle will be in collaboration with the New Mexico Finance Authority and other stakeholders. Written notification of the amount of distribution is expected to be sent to applicants by **May 1, 2017**.

If you need assistance, call Brenda L. Suazo-Giles, Special Projects Analyst, at 505-827-4933.

INSTRUCTIONS

APPLICATION FOR LAW ENFORCEMENT PROTECTION FUNDS FOR MUNICIPALITIES, COUNTIES AND UNIVERSITIES PURSUANT TO CHAPTER 29, ARTICLE 13 NMSA 1978 FOR THE JULY 1, 2017 - JUNE 30, 2018 FISCAL YEAR

PURPOSE

The purpose of the Law Enforcement Protection Fund is to provide the equitable distribution of funds to municipal police, university police, county sheriff and tribal police departments for use in maintaining and improving those departments in order to enhance the efficiency and effectiveness of law enforcement services.

APPLICATION PROCESS

All applications for Law Enforcement Protection Funds must be made on the prescribed forms and received by the Local Government Division (LGD) with a postmark date **no later than March 31, 2017**. Applications must be mailed to the following address:

**Local Government Division
Attn: Brenda L. Suazo-Giles
Department of Finance and Administration
Bataan Memorial Bldg., Room 201
Santa Fe, New Mexico 87501**

LGD will notify all applicants in writing of its determination of money to be distributed under Section 29-13-4 by May 1, 2017. Any applicant may appeal LGD's determination by filing a notice of appeal with the Secretary of the Department of Finance and Administration by May 15, 2017. The Secretary will review all appeals and make a final determination by June 30, 2017. If no appeal is filed, the determination of the LGD will become final and binding.

House Bill 4, signed into law on January 31, 2017, requires periodic distributions instead of one annual distribution. LGD, in collaboration with the New Mexico Finance Authority and other stakeholders, is currently determining what the periodic distribution cycle will be. Applicants selected to receive funding will be notified of this determination in the funding notification expected to be sent by May 1, 2017. Payments will be made to the Treasurer of the appropriate governmental entity.

COMPUTATION OF AWARDS

1. All municipal police and county sheriff's departments will be rated by class in accordance with populations established by the 2010 federal census. The population of any county will be reduced by the population of any municipality located within that county that has a municipal police department.

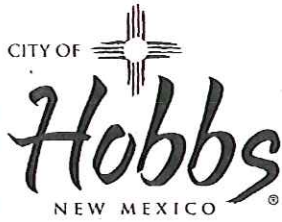
USE OF FUNDS

All monies distributed from the Law Enforcement Protection Fund are required to be expended in accordance with Section 29-13-7 and 29-13-9 NMSA 1978 as well as Rule 2 NMAC 110.3. Amounts so distributed from the LEPF to any incorporated city, town or village, county, pueblo or tribe, or university shall be expended under the direction of the chief of the police/sheriff's department and approved by the governing body.

All municipalities with a population of 1500 or less and all universities **must complete the itemized schedule** detailing expenditures for Section III, Subsection A of the application.



ACTION ITEMS



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: March 20th, 2017

SUBJECT: (PUBLICATION) 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: 03-14-17
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:

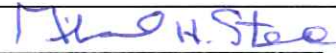
Reviewed By: 

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: 

City Attorney

Recommendation:

Staff recommends approval of the Publication 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: _____
Denied _____
File No. _____

PROCUREMENT POLICY ORDINANCE



EFFECTIVE DATE: 5/1/17

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CITY OF HOBBS

ORDINANCE NO. _____

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.



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): _____



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 _____



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 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: _____



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: March 20, 2017

SUBJECT: CONSIDER APPROVAL OF A MEMORANDUM OF UNDERSTANDING FOR FIELD USE AT VETERANS MEMORIAL COMPLEX BETWEEN THE CITY OF HOBBS AND THE HOBBS MUNICIPAL SCHOOLS

DEPT. OF ORIGIN: Parks and Recreation Department
DATE SUBMITTED: 03-14-2017
SUBMITTED BY: Doug McDaniel, Parks & Recreation Director

Summary:

The City of Hobbs leases land from the State of New Mexico at the Veterans Memorial Complex site. Upon completion of the artificial turf installation project at this site in January 2015, the City of Hobbs and the Hobbs Municipal Schools entered into an agreement governing the use of the fields by the Hobbs High School Baseball and Softball Teams. The agreement mandates that the HHS Baseball and Softball Teams have priority for their teams to use the Varsity, Junior Varsity, Sanger, McNeil and Campbell Fields during the NMAA Baseball/Softball seasons. The City and Schools have mutually cooperated to allow youth baseball and softball tournaments to be played both during and outside of the HHS Baseball/Softball seasons when these requests have not interfered with HHS games, practices or activities.

Fiscal Impact:

Reviewed By: 
Finance Department

Previously, the Hobbs Municipal Schools have completed payment to the City, in the amount of \$1.5 million, toward the artificial turf installation project. The Schools are to pay the City \$85,000 annually to offset maintenance expenses. The City is to pay the Schools \$7,500 annually for coaches to maintain facilities as set forth in the agreement.

Attachments: Copy of Memorandum of Understanding

Legal Review:

Approved As To Form: 
City Attorney

Recommendation:

Consider approval of a Memorandum of Understanding for use of fields at the Veterans Memorial Complex between the City of Hobbs and Hobbs Municipal Schools.

Approved For Submittal By:


Department Director


City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

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

**MEMORANDUM OF UNDERSTANDING AND FIELD USE AGREEMENT
BETWEEN THE HOBBS MUNICIPAL SCHOOLS AND THE CITY OF HOBBS**

THIS MEMO OF UNDERSTANDING AND AMENDED FIELD USE AGREEMENT made and entered into by and between the City Commission of the City of Hobbs, New Mexico (hereinafter "City"), and the Local School Board of Hobbs Municipal School District No. 16 (hereinafter "Schools"),

WHEREAS, the City and Schools previously entered into an agreement regarding the maintenance of Veterans Memorial Complex on July 20, 2009 and said agreement was approved by the Commission of the City of Hobbs as outlined in Resolution No. 5374 passed, adopted, and approved on July 20, 2009; and

WHEREAS, there has been a substantial change in circumstances regarding Veterans Memorial Complex in that artificial turf has been installed on the Varsity baseball, Junior Varsity baseball, and Sanger softball fields; and

WHEREAS, it is deemed that this agreement is for the common good to the contracting parties and general public; and Schools unify their authority and resources in the usage, maintenance, monetary compensation and any pending or future improvements of the Varsity baseball, Junior Varsity baseball, and Sanger softball fields to be used by citizens of the City and by the Schools in their athletic and physical training programs.

NOW, THEREFORE, IT IS AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1. USE OF SITE

The Schools shall have exclusive use of the Varsity baseball, Junior Varsity baseball, and Sanger softball fields from the beginning of the High School baseball and softball seasons until the termination of all regular season and/or post-season games played under the supervision of the New Mexico Activities Association (N.M.A.A.), typically, January through May. During that time and depending on field availability, any outside request for usage of the facilities by independent leagues, groups or individuals shall be reviewed by the Parks & Recreation Department and the Schools. These outside requests do not take priority over practices or games scheduled by the Schools but when no practices or games are scheduled by the Schools, the request should be considered for approval by both the Schools and the City.

For the periods not specifically set forth above, which will include all activities taking place during the Summer and Fall seasons, the City will be solely responsible for the access to all fields and the scheduling of all requests from the Schools and all other groups wishing to utilize the fields for scheduled games, practices and tournaments. This includes, but is not limited to, the Hobbs Little League, Connie Mack League, USSSA baseball and softball leagues, private tournaments and private field reservations.

The intent of this agreement is for the High School Varsity Baseball Team to have priority on the Varsity Field and said field should be the last field to be scheduled by outside groups.

Regularly scheduled games and tournaments for all groups will take priority over practice sessions and the City and Schools will act in good faith to meet the needs of both the baseball team's needs and the needs of the public desiring to use Varsity Field.

2. MAINTENANCE

The City and the Schools shall share the maintenance activities as follows:

The School shall maintain the clay pitching mounds on the Varsity Field and in all bullpens, during the time it is on the Varsity Field, in such a manner that no damage is done to the artificial turf surface. The Schools will also be responsible for the maintenance of the following areas during their seasons (January – May as above) and during all other use for practices, games and tournaments outside of January – May on Varsity, Junior Varsity, Sanger Fields and when the Junior Varsity Softball Team uses McNeil Field and when the Varsity Softball C Team uses Campbell Field:

Daily maintenance (grooming, replenishing of crumb rubber, brushing) of all high traffic/high- use areas including but not limited to batter's boxes, portable pitching mounds, pitcher's circles, sliding areas around first, second and third bases and home plate. To prevent accelerated wear, hitting/batting/pitching mats should be used daily during practices. If Baker Field should be used for any practices, games or tournaments by the Schools, the same maintenance requirements would also apply to the Schools. The Schools are also responsible for purchasing, providing, maintaining and installing all fencing around the Varsity, Junior Varsity and Sanger Fields.

The City shall perform all maintenance activities to the facilities on a year round basis except for the activities the School is responsible for during the time frames as noted above. This includes for the City, but is not limited to all commonly associated grounds maintenance, to wit:

All necessary and appropriate cleaning of the artificial turf, refurbishing of crumb rubber, and installation and removal of portable pitching mounds. Additionally, City will solely and actively maintain all natural vegetation intimately associated with the Varsity baseball, Junior Varsity baseball, and Sanger softball fields. The City will also be responsible for maintenance of all backstop structures, backstop netting and bleachers.

In addition, the cleaning of concession stands and the maintenance of all furnishings/appliances in the concession stand, as well as the cleaning of public restroom facilities and press boxes will be the sole responsibility of the Schools during all practices, games and tournaments conducted by the Schools both during and outside of their season. The City will be responsible for cleaning of public restrooms and press box facilities at all other times. The Schools will be solely responsible for all maintenance and cleaning of the field house/locker room facility at all times. The City will maintain chain-link fencing, bleachers covers, scoreboards, field lighting, and other field amenities shall be operated and maintained by the City year round. Arrangements may be made to allow the Schools to operate concession stands during the high school season and for any other events held at the Varsity, Junior Varsity and Sanger Fields. If the Schools do not wish to operate the concession stand for these other events, the City may make arrangements to have concessions available. No sunflower seeds shall be sold by any concessionaire at any time.

Players, coaches, and team personnel of all teams shall not use, chew or spit sunflowers seeds or smokeless tobacco products of any kind while on any field or bullpen/warm-up area or in any dugout.

Utilities will be furnished by the City at its sole expense. Use of field lights during the Schools' season (January – May) shall be at the discretion of the Schools' coaching staff and lights should be used only when necessary as to avoid unnecessary waste of public funds. Use and access to field lights at all other times outside January – May will be controlled by the City.

Trash and general cleanliness of the facilities, including the parking lot, shall be the sole responsibility of the Schools during School events and during the School season (practices, games, tournaments) as well as any activities scheduled by the Schools outside of their season. The City will be responsible for trash and general cleanliness of the facilities at all other times.

The Schools shall exercise reasonable diligence in preserving the aesthetic look and integrity of the facilities and artificial turf when in use and for the clean-up of any waste, stains or damage due to the use of sunflower seeds and/or smokeless tobacco and chewing gum that occur during School events.

Parking lot repair and maintenance shall be the sole responsibility of the City.

3. COORDINATION

The Parks & Recreation Department shall coordinate issues regarding field usage for non-school groups as covered in Section 1.

4. COMPENSATION

The Schools will also pay the City a sum of \$85,000 annually on the 1st day of August commencing 2015, to offset maintenance expenses incurred with the daily operation of said fields. Compensation from Schools to City will be made for the purpose set forth herein. Strict accountability of all receipts and payments will be maintained by City and Schools.

The City will pay the Schools \$7,500 annually for coaches to maintain facilities as agreed.

5. CAPITAL PROJECTS/IMPROVEMENTS

Annual improvements to the facilities shall be performed, funded and coordinated by the City. Major repairs and improvements will be considered for cost sharing by both entities, depending upon availability of funds to each party. Priority items may be moved forward by one entity at its sole expense, contingent on funding available to the party.

Permitting for improvements to the facility must be submitted to and approved by the State of New Mexico Land Office.

6. TERMS

This agreement shall have a term ending at the conclusion of all regular season and/or post season N.M.A.A. sanctioned games following the 2018 season and from year to year thereafter if mutually agreed upon by the parties. Both parties shall review the agreement annually and update it as agreed in writing.

7. MISCELLANEOUS

In the event the Schools are in need of an additional field operated by City, not located in this complex for the purpose of practice, games or tournaments during their school seasons, the maintenance requirements outlined in Section 2 of this Amended Agreement will extend to any other facilities utilized by Schools during an overflow situation. Schools shall notify City of reasonably certain overflow situation associated with games or tournaments during the school season at least seven (7) days in advance of the potential overflow situation. All other maintenance required on any additional field for an overflow situation would be performed by the City at its sole expense. Request for overflow fields will be considered by the City if there are no previously scheduled events taking place on the overflow fields as requested by the School.

The City of Hobbs will continue to lease the land on which the Veteran's Memorial Complex is located from the State of New Mexico on an annual basis as required by the State Land Office until such time as the City does not have the lease with the State of New Mexico.

Use of Clay Pitching Mound on Varsity Field:

The clay mound that the Schools staff has constructed on Varsity Field will remain in place on Varsity Field throughout the 2018 HHS Baseball Season and continue to be in place until the conclusion of all regular season or post-season N.M.A.A. sanctioned games played during the 2018 season. When all N.M.A.A. sanctioned games have been completed at the conclusion of the 2018 season, the Schools staff will remove the clay mound from the Varsity Field in such a manner that no damage is done to the artificial turf playing surface on Varsity Field. The City will then place a portable, all turf mound on the Varsity Field. The all turf mound currently placed on the Junior Varsity Field shall remain in place during all times applicable under this agreement. The Schools and City, in good faith, shall continue to communicate regarding best practices and use of mounds at the end of the 2018 N.M.A.A. baseball season. Prior to conclusion of the 2018 HHS Baseball season, the City Manager (or designee) and the Superintendent of Hobbs Municipal Schools (or designee) will meet to discuss use of the clay mound and/or portable mound for future considerations.

8. APPROVAL

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

9. NO ORAL MODIFICATION

The forgoing constitutes the entire agreement between the Parties and may be modified only in writing signed by both Parties. Amendments and alterations to this Amended Agreement may be made in writing from time to time as the parties agree.

10. CHOICE OF LAW

This Amended Agreement is governed by the laws of the State of New Mexico and will bind and insure to the benefit of the City and Schools, their respective successors and assigns. Jurisdiction relating to any litigation or dispute arising out of this Amended Agreement shall be with the District Court of Lea County, State of New Mexico, only.

11. SEVERABILITY:

If any part or portion of this Amended Agreement shall be in violation of the laws of the State of New Mexico or the Constitution of New Mexico, only such part or portion thereof shall be thereby invalidated, and all other portions hereof shall remain valid and enforceable.

12. SOVEREIGN IMMUNITY

The City of Hobbs and Schools and their public employees (as defined in the New Mexico Tort Claims Act) do not waive sovereign immunity, do not waive any defense(s), and/or do not waive any limitation(s) pursuant to the New Mexico Tort Claims Act. No provision in the Agreement modifies and/or waives any provision of the New Mexico Tort Claims Act as it relates to the City and Schools and their public employees. All of the privileges and immunities from liability, exemptions from laws, ordinances and rules, all pension, relief, disability, workmen's compensation and other benefits which apply to the activity of officers, agents or employees of either the City or Schools, 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 provision of the Joint Powers Agreements Act.

13. LIABILITY

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

14. INSURANCE

Both the City of Hobbs and the Hobbs Independent School District will maintain liability insurance or qualify as a self-insured entity, as required by law.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this _____ of _____, 2017.

ATTEST:

HOBBS MUNICIPAL SCHOOLS

Gary Eidson
GARY EIDSON, President

03/01/2017
Date

T.J. Parks
T.J. Parks, Superintendent

3/1/17
Date

THE CITY OF HOBBS, NEW MEXICO

SAM COBB, Mayor

Date

J.J. MURPHY, City Manager

Date

APPROVED AS TO FORM:

Michael H. Stone
City Attorney

Date

Attorney for Hobbs Municipal Schools

Date



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: March 20, 2017

SUBJECT: CONSIDER RENEWING THE PROFESSIONAL SERVICES AGREEMENT WITH LIFE SKILLS FORE YOUTH OF THE PECOS FOR THE FIRST TEE PROGRAM AT ROCKWIND COMMUNITY LINKS.

DEPT. OF ORIGIN: Parks and Recreation/Legal
DATE SUBMITTED: March 14, 2017
SUBMITTED BY: Doug McDaniel, Parks & Recreation Director
Linda Howell, Rockwind Community Links General Manager/PGA Golf Professional

Summary:

With the opening of Rockwind Community Links, one of the goals was to engage the youth of Hobbs, Lea County, southeast New Mexico and west Texas in the game of golf by offering various golf instructional programs, clinics and camps.

The City of Hobbs has funded the First Tee Program at Rockwind Community Links for the previous two years. The partnership with Life Skills Fore Youth Of The Pecos has afforded local youth golfers to participate in the nationally renowned, First Tee Program. The First Tee's Nine Core Values, Nine Healthy Habits and Code of Conduct continue to have a positive impact on all that participate in this program at Rockwind Community Links. By renewing this agreement, Rockwind Community Links will continue to be officially designated as a, "The First Tee of Southeastern New Mexico Program Location" and will receive all considerations normally associated with First Tee Program locations as described in the attached agreement.

Since January 2016, approximately 350 youth golfers have participated in The First Tee Program at Rockwind Community Links. A total of 96 scholarships have been awarded. If approved, the City of Hobbs will fund the First Tee Program at a cost of \$109,560 with Life Skills Fore Youth of the Pecos invoicing the City of Hobbs for three (3) equal payments of \$36,520 to be made on April 19, August 19 and December 19. The City of Hobbs will also provide a maximum of two (2) fundraising golf events per year to benefit The First Tee.

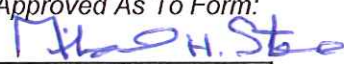
Fiscal Impact

Reviewed by: 
Finance Department

The City of Hobbs has included \$109,560 in the Rockwind Community Links budget for the operation of the First Tee program.

Attachments: Copy of the Professional Services Agreement and the Annual Budget for The First Tee of Southeastern New Mexico

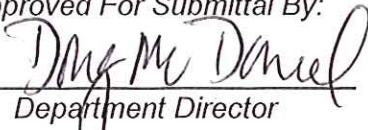
Legal Review:

Approved As To Form:

City Attorney

Recommendation:

Staff recommends that the Commission consider renewing the Professional Services Agreement for the operation of the First Tee Program at Rockwind Community Links.

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. _____

PROFESSIONAL SERVICES AGREEMENT

CITY OF HOBBS – LIFE SKILLS FORE YOUTH OF THE PECOS

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

WHEREAS, the City Commission of the City of Hobbs, Lea County, New Mexico, has determined that the services to be provided by the contracting party pursuant to this Agreement are needed by certain segments of the population of the City and are necessary to contribute to the quality of life of the citizens of the City of Hobbs; and

WHEREAS, the City of Hobbs, through its management staff, and pursuant to Section 13-1-126, NMSA 1978, as amended, has conducted a good faith review of available sources and resources within Lea County and has determined that there is only one source within Lea County for the services needed.

NOW, THEREFORE, the City of Hobbs (hereinafter referred to as "City") and Life Skills Fore Youth of the Pecos (hereinafter referred to as "Life Skills") hereby do agree as follows:

1.0 SCOPE OF SERVICES

1.1 Life Skills will provide the following services:

1.1.1 Provide coaches to deliver golf skills and life skills instruction to the youth of the City of Hobbs under The First Tee of Southeastern New Mexico program;

1.1.2 Provide all equipment, instructional materials and other programming materials for The First Tee of Southeastern New Mexico program;

1.1.3 Provide all program management resources including scheduling of class sessions and staff, registration, collection of program fees and supervision for The First Tee of Southeastern New Mexico program;

1.1.4 Provide all coach and volunteer training required for The First Tee of Southeastern New Mexico program delivery. Additionally, perform comprehensive background checks of all coaches and volunteers to help ensure the safety and well-being of the participants of The First Tee of Southeastern New Mexico program ;

1.1.5 Allow for The First Tee of Southeastern New Mexico brand and logo usage on Rockwind Community Links marketing materials;

1.1.6 Provide official designation of Rockwind Community Links as a “The First Tee of Southeastern New Mexico Program Location”;

1.1.7 Provide on-site signage regarding The First Tee of Southeastern New Mexico;

1.1.8 Recognize Rockwind Community Links in marketing and sponsorship materials including The First Tee web site;

1.1.9 Provide accounting services to assure accurate statements of income and expense and make that information available to the City of Hobbs at regularly agreed intervals.

1.2 All persons retained by Life Skills to provide the services required by this Agreement shall be employees, volunteers or contractors of Life Skills, which shall be solely responsible for their acts and omissions, as well as all compensation, taxes and benefits associated with their work for Life Skills.

1.3 It is expressly understood and acknowledged that Life Skills is an independent contractor, that it is not an instrumentality, agent or employee of City, and that it will not so represent itself to the public.

1.4 This Agreement shall not preclude funding or other contracts from other sources.

2.0 CITY'S CONTRIBUTION

2.1 The City of Hobbs will fully fund The First Tee program's budget as in the attached document (\$109,560). This sum will be paid in three (3) equal payments of \$36,520.00 that will be paid on April 19, August 19 and December 19 during each term. Life Skills will be required to invoice the City on these dates after service is provided.

2.2 City will provide access to dedicated driving range and practice areas to deliver The First Tee of Southeastern New Mexico program including the Life Skills Experience. Access to the driving range and practice areas shall be coordinated and approved by the Rockwind Community Links General Manager.

2.3 City will allow members of The First Tee during non-program times, to use the driving range/golf course located at Rockwind Community Links at a discounted First Tee rate. This rate will be designated by Rockwind Community Links and Rockwind Community Links will retain this income.

2.4 City will provide areas at Rockwind Community Links to certify program participants and to deliver life skills classroom instruction. The designation and use of such areas at Rockwind Community Links will be at the sole discretion of the Rockwind Community Links General Manager.

2.5 City will strive to provide Rockwind Community Links staff time for program instruction and/or other programming organizational needs if possible. The designation and use of such staff will be at the sole discretion of the Rockwind Community Links General Manager.

2.6 City will provide the use of the Rockwind Community Links golf course facility for a maximum of two (2) special fundraising golf events specifically for The First Tee. The designation of dates and use of the facility for such fundraising events shall be coordinated and approved by the Rockwind Community Links General Manager.

2.7 City will assist with raising awareness of The First Tee through City marketing materials, marketing programs and appropriate signage.

2.8 City will strive to provide opportunities, where appropriate, for participant employment and career training in golf course operations.

2.9 City will help to identify and recruit program volunteers to assist with program delivery, transportation and other tasks related to programming.

2.10 Life Skills shall make no claim against City for any expense incurred by it in providing the services required by this Agreement. Specifically, Life Skills shall make no claim against City for staffing, program materials, operating expense, travel expense, duplication costs, telephone costs, secretarial assistance, office supplies or any other cost not specifically allowed herein.

3.0 INSURANCE

Life Skills shall provide the City of Hobbs with a Certificate of Insurance naming the City of Hobbs as an additional insured on all general and/or professional liability and workers' compensation insurance policies.

4.0 TERM

The duration of this agreement will be for one year from the date of signatures below with the option to renew, by mutual agreement between the City and Life Skills for two additional one year terms. With mutual agreement between the parties, either party may terminate this agreement by giving notice at least 120 days prior to the end of any one-year term.

5.0 LOGO USAGE

Under the terms of this agreement, there are specific uses of The First Tee of Southeastern New Mexico logo that are allowable. Misuse of the logo could result in breach of contract. The following requirements must be followed anytime The First Tee of Southeastern New Mexico logo is utilized:

5.1 All of the name "The First Tee of Southeastern New Mexico" must be used rather than dropping "The" or "of Southeastern New Mexico" from the name;

5.2 The ® must be included with the first usage of the trademark text unless the logo appears before the text;

5.3 Never use the individual elements of the logo alone or in less than the full design;

5.4 The Chapter must reproduce the secondary mark from artwork or digital files initially obtained from the home office.

6.0 MISCELLANEOUS PROVISIONS

6.1 Life Skills shall timely notify City of any change as to its principal place of business, the identity of all its directors, officers and members, any change of its corporate status, any change of its tax-exempt status with the Internal Revenue Service, any change in programming and any pending litigation or asserted claims or any other matter that might affect the continued rendition of services to City residents under this Agreement.

6.2 Life Skills represents and warrants that the information given to City in support of its request for City's contribution as outlined in this agreement is true and correct; further, that its staff is competent to render the services which are the subject of this Agreement, and finally, that there is no other provider in Lea County of the kind of services contemplated by this Agreement.

6.3 Life Skills agrees to abide by all state and federal rules, regulations and statutes pertaining to equal opportunity. In accordance with these laws and regulations, Life Skills agrees to assure that no person shall, on the grounds of race, color, national origin, sex, age, handicap or medical condition, be excluded from participation in programs and services to be rendered by Life Skills pursuant to this Agreement.

6.4 Life Skills shall give City prompt and timely notice of any claim made or suit instituted against Life Skills which may in any way, directly or indirectly, contingently or otherwise, result in a judgment against City.

6.5 Life Skills agrees to and shall indemnify, defend and hold the City, the City Commission of the City of Hobbs, its individual commissioners, its officers, employees and agents harmless from any and all causes of action, suits, claims, judgments, losses, costs, expenses and liens, of every kind and nature, including but not limited to court costs and reasonable attorneys' fees arising or alleged to have arisen out of performance of Life Skills rendition of services or failure to render services pursuant to this Agreement or any breach of this Agreement.

6.6 This Agreement shall be construed pursuant to the laws of the State of New Mexico and the parties agree that any dispute arising out of this agreement shall be heard in the Fifth Judicial District Court of Lea County, New Mexico.

6.7 The parties agree that any changes or modifications to this Agreement suggested or required by any supervising state entity, such as the New Mexico Attorney General's office or

the New Mexico Department of Finance and Administration, shall be made in order to fully comply with the law as such agencies might interpret and define it to the parties. City may cancel this Agreement without further responsibility to provide services on behalf of Life Skills if the legality of such is challenged.

6.8 If Life Skills obtains an audit or other type of financial review of its affairs, then City shall receive a copy of same. This provision does not otherwise obligate Life Skills to secure such services.

6.9 This is a personal services contract and neither City nor Life Skills may assign this Agreement, or any interest herein, without prior written approval of the other.

6.10 This Agreement reflects all covenants, understandings and agreements between the parties. This Agreement may not be altered except by another writing signed by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this _____ day of March 2017.

ATTEST:

THE CITY OF HOBBS, NEW MEXICO

JAN FLETCHER, City Clerk

By: _____
SAM D. COBB, Mayor

J.J. MURPHY, City Manager

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

MICHAEL H. STONE, City Attorney

ATTEST:

LIFE SKILLS FORE YOUTH OF THE PECOS

By: _____
ADRIENNE FIELDS, Executive Director
The First Tee of Southeastern New Mexico



**The First Tee of Southeastern New Mexico
at Rockwind Community Links Annual Operating Budget**

EXPENSES	ACTUAL OR ESTIMATED	DESCRIPTION of EXPENSE
Program Salary and Wages	\$75,000	Program Director salary, First Tee Mentors/Coaches' salaries and hourly wages.
Camps, Clinics, Life Skills Education	\$3,500	Scholarships, tournament costs, participant prizes/incentives, medals/trophies, volunteer recognition, clinics, camps, National School Program
Teaching Aids and Program Supplies	\$8,500	Life Skills materials, Additional SNAG equipment, First Tee curriculum, program equipment and supplies, food and snacks, apparel, teaching aids, etc.
Communications and Marketing	\$2,500	Brochures, fliers, radio/TV/newspaper ads, printing and publications, The First Tee signage
Technology	\$1,000	Chapter web sites (Members First), computer, computer software, digital camera, etc.
Transportation	\$3,600	Mileage and Fuel
Education, Travel, Entertainment	\$4,000	Education-related travel and entertainment; Network Meetings, Regional Meetings, The First Tee Coaches training, Life Skills training, The First Tee University, other seminars/classes
Administrative Supplies	\$1,500	Cleaning supplies, postage, copying fees, printing, uniform related items, etc.
Sub-total	\$99,600	Sub-total of above budget items
10% Administration Fee	\$9,960	Insurance coverage for First Tee programming at Rockwind (including General Liability, Auto, Officers and Directors, and Workers Compensation), Accounting/Bookkeeping Fees, Payroll, and overall Program Management, including compliance with all First Tee National requirements, reporting and standards.
TOTAL EXPENSE	\$109,560	



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: March 20, 2017

SUBJECT: RESOLUTION AUTHORIZING THE PURCHASE OF TWO (2) PUBLIC TRANSPORTATION BUSES AND SURVEILLANCE CAMERAS FOR HOBBS EXPRESS UNDER THE STATE OF NEW MEXICO GSA PRICE AGREEMENT NO. 60-000-15-00015 FROM CREATIVE BUS SALES

DEPT. OF ORIGIN: City Clerk's Office
DATE SUBMITTED: March 10, 2017
SUBMITTED BY: Jan Fletcher, City Clerk

Summary:

Hobbs Express is requesting approval to purchase the following items from Creative Bus Sales under the State of New Mexico GSA Price Agreement No. 60-000-15-0015 described as follows:

Two (2) buses - Arboc Spirit of Freedom, GM G4500 - 18 passengers - \$117,435.00 each (incl. cameras)
Total Cost: \$234,870.00. These low-floor buses are equipped with a ramp which allows every passenger to use the same entranceway into the bus. Some unique features:

- ▶ This will increase speed of operation (ramp vs. hydraulic lift)
- ▶ Ride quality (no more loud vibration from the hydraulic lift; controlled temperature - minimizes loss of heating/air conditioning having two doors open to the bus)
- ▶ Passenger dignity (everyone enters the bus at the same point)
- ▶ Safety (easier access for elderly riders; minimizes liability for trips/falls on the steps of the bus)

SEON 4-Camera System (equipment and installation) for 9 existing buses at \$5,445.00 per bus for a total amount of \$49,005.00. This is a turn-key job that includes all parts and installation.

Fiscal Impact:

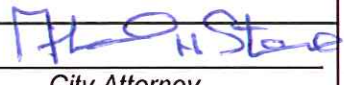
Reviewed By: 
Finance Department

- Capital funding is available in Fund 27 for these purchases in the total amount of \$283,875.00
- Grant funding is available under the FTA FY 16-17 Memorandum of Agreement with NMDOT. The City will be reimbursed 80% of these expenditures in the amount of \$227,100.00 resulting in a net cost to the City of \$56,775.00.

Attachments:

- ✓ Bus Quote - Creative Bus Sales
- ✓ Camera Equipment & Installation - Creative Bus Sales

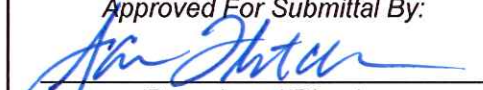
Legal Review:

Approved As To Form: 
City Attorney

Recommendation:

Motion to approve the resolution.

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. 6530

A RESOLUTION AUTHORIZING THE PURCHASE
OF TWO (2) 18-PASSENGER BUSES AND
SURVEILLANCE CAMERAS FOR HOBBS EXPRESS
UTILIZING GSA PRICE AGREEMENT NO. 60-000-15-0015
WITH CREATIVE BUS SALES

WHEREAS, the City of Hobbs Public Transportation Department, Hobbs Express, is in need of two (2) 18-passenger buses and surveillance cameras for nine (9) existing buses in the public transportation fleet; and

WHEREAS, the purchase of such equipment is available to the City of Hobbs utilizing the State of New Mexico GSA Price Agreement No. 60-000-15-0015 with Creative Bus Sales in the total amount of \$283,875.00; and

WHEREAS, pursuant to the grant funding under the FY 16-17 Memorandum of Agreement with the New Mexico Department of Transportation, 80% of this expenditure will be reimbursed to the City of Hobbs.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the purchase of two (2) 18-passenger buses and surveillance cameras for Hobbs Express is approved with Creative Bus Sales utilizing the State of New Mexico GSA Price Agreement No. 60-000-15-0015.

PASSED, ADOPTED AND APPROVED this 20th day of March, 2017.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

2/27/2017



NMDOT CONTRACT

RFP #

Preparer: Brent Roy

BASE MODEL

Unit Price

Arboc SOF 16-2	Base Model Starting Price: \$92,502.00
----------------	--

Additional Options: \$948.75

Published Options: \$24,933.00

Base Model Info:

Vehicle Length	Lift Position	Wheelchair positions	Number of Passenger Seating
317"	Front	2	16

Subtotal: \$117,435.00

Adjusted Model Info:

Vehicle Length	Lift Position	Wheelchair positions	Number of Passenger Seating

Sales Tax: \$0.00

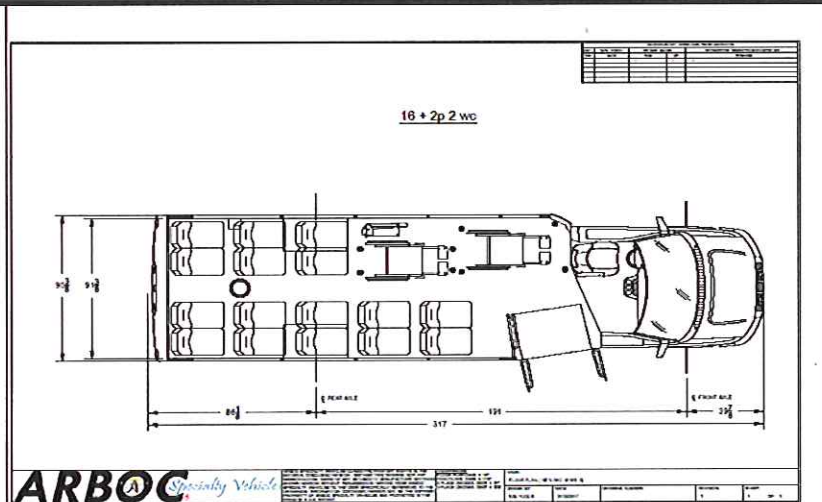
Total per Unit: \$117,435.00

Quantity: 1

Total: \$117,435.00

Proposal For:	City of Hobbs, NM		
Contact:	Jan Fletcher		
Delivery Address:	200 East Broadway	Hobbs, NM	88240
Office:	575-397-9207	Mobile:	575-369-7908
Email:	jfletcher@hobbsnm.org		

Floorplan



ARBOC Specialty Vehicle



Included Options

Creative Bus Sales

Arboc SOF 16-2
Chassis - 02
Black Steel Bumper
Driver Side Running Board - 12" w/o wing
Front Mud Flaps
Mor Ryde Suspension System
Dealer Provided Chassis (includes Chassis PDI)
NEED DEALERSHIP RELEASE CODE
Mirrors - 03
Interior Convex Mirror
Manual Velvac Mirrors door mounted
Rear Window Fresnel Lens
Windows - 04
Solid Framed Windows
Rear Window 24 x 60 Egress
Extra Std Egress window front Drvr Side (183", 191", 210" WB) **in addition to std egress windows over wheel well positions in all wheelbases
Exterior - 05
Side Turn Marker Lights
Rear Center Brake Light
Ext Light at entry door
Interior Lights on w/door opening
Door/Hatch/Luggage - 06
Rear door (Outside Key Lock, Inside Manual Locking Lever) w/2 windows and door alarm, exit led light (NO SIDE WINDOWS)
Add'l Side Windows by rear door
REAR DOOR ALARM PACKAGE (Audible & flashing switch on console if door is unlatched or open, will only go out of Park if the door is shut and unlocked)
OH Driver Storage Compartment Box w/key lock door
Electrical - 07
Alarm Backup
Auxiliary Battery, Compartment w/Tray & Door
Rotary Disconnect Switch
Fast Idle
Under Hood Lite (Each)
Audio - 08
AM/FM/CD w/4 Speakers Jensen PA Ready
Interior Environment - 09
ACC - A/C 60,000 BTU TropiCool TC4516 Roof Mount Evaporator / Condenser Combo Unit TM16 compressor
Heaters
65K BTU Heater Low Profile - rear
Engine Block Heater
Aux. Defroster Fan



Included Options

Creative Bus Sales

Interior - 10
LH Entry Stanchion w/Grab Handle
RH Entry Stanchion w/Grab Handle
Ceiling Grab Rail (2)
Driver Stanchion W/Modesty Panel & Plexiglass
Vinyl Board w/Azdel Ceiling
Vinyl Board w/Azdel Interior Walls
Seating - Driver - 11
Recover Prices for OEM/G2E Evolution Driver's Seat - Fabric Code Required
OEM Driver Seat Recover-Level 2
Seating - Passenger - 12
<i>Freedman Seats - Featherweight</i>
Mid High Double Seat
Seating - Accessories - 13
Grab Handle at top of seat back-black padded Mid/Low Back Seats
USR Double Under Seat Belt
Seating Trim levels - 14
Seat Cover - Level 1
Safety - 15
Safety Kit, includes 5lb fire extinguisher, 16 Unit First Aid Kit & triangle kit
ADA - 16
Q'Straint Q8300-A-SC3 (Slide & Click) 4 Max Retractors (Q8-6209-SC)
Retractable Shoulder Belt Reel (Q5-6415-RET-ASL) Regular lap belt w/ pin connector (Q8-6325)
ADA Decals (included in tiedown kit)
Wheelchair Decal (included in tiedown kit)
Entry Ramp w/Intermotive - Braun 34" x 62"
Dealer Add On Options - 19
Complete Set of Extra Fuses
Freight



Published Options

Qty	Description	Cost	Ext Cost
	(9) Tires and Wheels		
1	B. Extended valve stems on rear wheels	\$150.00	\$150.00
1	C. Spare tire and rim to match other wheels provided	\$910.00	\$910.00
1	E. Optional Wheel Inserts	\$810.00	\$810.00
	(27) Passenger Entrance		
1	D. Exterior key entry	\$160.00	\$160.00
	B. Double foldaway seat		
1	a. Notchback (Split back) Style	\$680.00	\$680.00
	(35) Additional Passenger Seats Including Specified Seat Belts		
1	B. Double Passenger Seat - Add or Deduct	\$409.00	\$409.00
2	b. Double Passenger Child Restraint Seat w/one child seat	\$770.00	\$1,540.00
	(36) Passenger Seat Material		
	Level 6		
1	Driver	\$260.00	\$260.00
18	Passenger	\$72.00	\$1,296.00
9	F. Seat arm rest	\$25.00	\$225.00
	(42) Retractable Wheelchair Securements (in lieu of standard)		
2	D. Other securement storage	\$94.00	\$188.00
	(45) Driver Stanchion		
1	B. Driver's partition	\$125.00	\$125.00
	(48) Air Conditioning		
1	A. Air Conditioning in lieu of spec	\$2,215.00	\$2,215.00
1	(65) Body Fluid Clean-up kit	\$60.00	\$60.00
	(70) Mirrors		
1	a. Interior	\$35.00	\$35.00
	(84) Destination Sign		
1	B. Electronic	\$6,500.00	\$6,500.00
	(85) Bus Camera System		
1	Seon System	\$5,445.00	\$5,445.00
	(95) Miscellaneous Not Included In Options - to be completed by Vendor		
1	Remote/Heated Exterior Mirrors	\$540.00	\$540.00
1	Two-way Radio Prep	\$285.00	\$285.00
1	Parcel/Walker Storage Rack	\$395.00	\$395.00
1	Fresnel Lens	\$65.00	\$65.00
1	A. Delivery/freight charge from Bus Manufacturer to Albuquerque, NM.	\$2,000.00	\$2,000.00
320	B. One-way delivery cost, per mile, from Vendor to Recipient's destination(price should include cost for one	\$2.00	\$640.00
			\$24,933.00



Additional Options

Creative Bus Sales

Qty	Part #	Description	List Price	Ext Price
		SOL & SOM OPTIONS		
1	ARB-28	Altro Flooring - Storm Grey (no coving on sides)	\$862.50	\$862.50
1	ARB-38	Rear Window Fresnel Lens	\$40.25	\$40.25
2	ARB-244	Seat Belt Extenders - 12" (USR Seats Only)	\$23.00	\$46.00
				\$948.75



Creative Bus Sales

Proposal for The City of Hobbs

Date:	3/10/2017	Model	Arboc SOF	RO #	N/A
Serial #	N/A	Year	2017	Engine	
VIN #	N/A	Mileage	N/A	Tech	

Item #	Description	Price Each	Quantity	Total	Labor \$	SUB TOTAL
1	4x camera Seon system with installation			\$ -		\$ -
2	at City of Hobbs	\$ 5,445.00	9	\$ 49,005.00		\$ 49,005.00
3				\$ -		\$ -
4				\$ -		\$ -
5				\$ -		\$ -
6				\$ -		\$ -
7				\$ -		\$ -
8				\$ -		\$ -
9				\$ -		\$ -
10				\$ -		\$ -
11				\$ -		\$ -
12				\$ -		\$ -
13				\$ -		\$ -
14				\$ -		\$ -
15				\$ -		\$ -
16				\$ -		\$ -
17				\$ -		\$ -
18				\$ -		\$ -
19	ALL ESTIMATES ARE VOID AFTER 30 DAYS			-		\$ -
20				-		\$ -
21				\$ -		\$ -
22				\$ -		\$ -
23				\$ -		\$ -
24				\$ -		\$ -

The above is an estimate, based on our inspection, and does not cover additional parts or labor which may be required after the work has been opened up. Occasionally, after work has started, worn, broken, or damaged parts are discovered which are not evident on first inspection. Quotation on parts and labor are current and subject to change.

Parts	\$ 49,005.00
Labor	\$ -
S/S	\$ -
Subtotal	\$ 49,005.00
Tax	\$ -
Freight	
Total	\$ 49,005.00

PLUS TAX & SHOP SUPPLIES
Please sign

below and fax back to 602-414-0423 or call 602-437-0303
I authorize Arizona Bus Sales to perform the above work:

Spirit of Freedom



Patents 7,802,801. 8,371,589

The ARBOC **Spirit of Freedom** provides a single, non-discriminatory patented angled and accessible entranceway. Riders of ALL abilities no longer need to contend with steps in the most accessible cutaway bus in the industry today. Now every passenger, including wheelchair riders and even those using power scooters can experience what true Random Access really means! If speed of operation, ride quality, passenger dignity and safety are important, then the **Spirit of Freedom** is the bus for you!



The innovative **Spirit of Freedom** is the first and only bus of its kind, offering all the benefits of a low-floor bus at a competitive price! Now superior accessibility can be available to everyone. The **Spirit of Freedom** is built on a conventional GM G4500 chassis and rides on the OEM spring suspension, all while exceeding ADA guidelines with a 1:5 ramp slope. Say goodbye to risky steps and say hello to the future of the cutaway bus!

EQUAL ACCESS for[®]
Everyone



For more information please contact us at
Phone - 574.825.4880 Fax - 574.825.1750
51165 Greenfield Pkwy, Middlebury, IN 46640
www.ARBOCsv.com



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: March 20, 2017

SUBJECT: CONSIDERATION TO APPROVE A DEVELOPMENT AGREEMENT WITH ABS HOMES CONCERNING THE DEVELOPMENT OF MARKET RATE SINGLE-FAMILY HOUSING.

DEPT. OF ORIGIN: Planning Division
DATE SUBMITTED: March 14, 2017
SUBMITTED BY: Kevin Robinson - Planning Department

Summary: ABS Homes has requested a Development Agreement concerning the development of single-family housing units located within the Zia Crossing Subdivision. The developer proposes to produce market rate single-family units and is requesting infrastructure incentives of the maximum amount per DA of \$100,000.00. The terms of the attached DA is based on the 2016 Housing Incentive Policy adopted per Resolution #6465.

Fiscal Impact:

Reviewed By: [Signature]
Finance Department

FY17 Budget \$600,000.00

Single Family Housing #010100-44901-170

Attachments: Developers Proposal and Development Agreement.

Legal Review:

Approved As To Form: [Signature]
City Attorney

Recommendation:

Commission considers approval / denial of the attached Development Agreement.

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. 6531

A RESOLUTION TO APPROVE A DEVELOPMENT AGREEMENT WITH ABS HOMES CONCERNING THE DEVELOPMENT OF MARKET RATE SINGLE-FAMILY.

WHEREAS, the City of Hobbs is proposing to enter into a Development Agreement with ABS Homes concerning the development of market rate single-family housing; and

WHEREAS, the aforementioned Development Agreement allows for an incentive of reimbursement of public infrastructure for this type of development, said agreement being in the best interest of the City.

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

1. The City of Hobbs hereby approves the Development Agreement, which is attached hereto and made a part of this Agreement as Exhibit #1 and the Mayor, and/or his designee, is hereby authorized to execute the Agreement.
2. That City staff and officials are authorized to do any and all deeds to carry out the intent of this Resolution.

PASSED, ADOPTED AND APPROVED this 20th day of March, 2017.

Sam D. Cobb, Mayor

ATTEST:

Jan Fletcher, City Clerk



PO Box 2913,
Moriarty, NM 87035
505-832-6111
Fax: 505-832-9350

4915 W Big Red Rd
Hobbs, NM 88240
575-492-0575

February 27, 2017

Kevin Robinson
City Planner
City of Hobbs
Hobbs, New Mexico 88240

Subject: Infrastructure Incentive at Zia Crossing, Units # 3 and 5, Phase 1, Hobbs, Lea County, NM

Dear Kevin,

Consider this as a formal request for the Infrastructure Incentive for 21 Single family Homes, not to exceed \$200,000 in a 12 month period, in Zia Crossing Units # 2, 3 and 5, Phase 1, Hobbs, Lea County, New Mexico.

It is our understanding that you will prepare the Real Estate Development Agreement between, ABS Homes, LLC, and the City of Hobbs for our signatures.

We would request that this be placed on the agenda for the first commissioners meeting in March 2017.

Respectfully submitted,

A handwritten signature in cursive script that reads 'Olivia Stuard'.

Olivia Stuard
Owner
ABS Homes, LLC

absnm.com
hobbshomebuilder.com
It's Your Home.....Demand Quality.....We Deliver!



**HOUSING DEVELOPMENT AGREEMENT BETWEEN
THE CITY OF HOBBS AND SINGLE FAMILY HOUSING DEVELOPER**

THIS AGREEMENT is entered into on this 20th day of March 2017 by and between the City Of Hobbs, New Mexico, a municipal corporation (hereinafter "City"); and ABS Homes, 4915 W. Big Red Rd., Hobbs, NM 88240, (hereinafter "Developer") for the purpose of delivering Housing Developer Services to be provided to the City.

RECITALS:

** The City requires to contract with a Housing Development Company to deliver Single Family Market Rate Housing to the Citizens of Hobbs, New Mexico.

** Developer has submitted a proposal to the City to deliver the required Housing Developer Services work for the development of market rate single-family units, to be produced within 180 days of ratification of this agreement, within various Subdivisions located within the Municipal Boundaries.

NOW, THEREFORE, the City of Hobbs and Developer do hereby agree as follows:

A. Work To Be Performed.

1. The Developer shall furnish to the City its Professional Housing Developer Services for certain work regarding the Hobbs Single Family Housing Project. All single family structures completed under this agreement shall be located within the municipal boundaries and shall have received a certificate of occupancy after ratification of this agreement as per the incentive request proposal, which is attached hereto and made a part of this Agreement as Exhibit #1.

2. Developer shall furnish to City its professional Housing Developer Services as provided by this Agreement. The specific duties include the production and delivering to the public market Single Family Market Rate Housing Units in Hobbs. Produced Units receiving an infrastructure incentive reimbursement shall not now or in the future be utilized in a pecuniary manner by renting, leasing, exchanging or bartering habitation privileges to the property for a period of no less than 30 days at a time. The Developer shall build market rate housing on the property identified in the Developer's Proposal.

3. Specific activities required are to develop privately owned real property in the City including designing, building and transferring to the public individual market rate single family housing units. The City's subsidy may include any or all of the following funding assistance from the City:

Incentives are available for installed public municipal infrastructure only. Development Agreement must be in place prior to Municipal Acceptance of infrastructure. Existing Developments that have received DA's prior to 2017 are eligible through 12/31/2017.

- a. Incentive not to exceed per square footage basis:
 - i. \$10.00 per sq. ft. north of Sanger
 - ii. \$20.00 per sq. ft. south of Sanger
 - iii. Calculation based on living area only
- b. Incentive not to exceed per unit basis:

- i. \$10,000.00 per single family unit
- ii. \$5,000.00 per multi-family unit
- c. Incentive not to exceed fair share per linear foot of infrastructure basis:
 - i. \$180.00 per lineal front footage of complete public infrastructure installed, and further broken down as follows:
 - 1. Water (\$25 / lf):
 - a. Twenty Five (\$25) per equivalent front foot of lot to which water service is provided (8" minimum service single family & 10" minimum service for multi-family);
 - 2. Sewer (\$35 / lf):
 - a. Thirty Five (\$35) per equivalent front foot of lot to which sewer service is provided (8" minimum service single family & 10" minimum service for multi-family);
 - 3. Street (\$90/ lf):
 - a. Ninety (\$90) per equivalent front foot of lot to which street is provided (built to Minor Residential standards as promulgated within the City of Hobbs Major Thoroughfare Plan);
 - 4. Sidewalk:
 - a. Thirty (\$30) per equivalent front foot of lot to which sidewalk (includes driveway with ADA accessible path) is provided;

Based on quantities of required publicly owned infrastructure installed with the project, the City Engineer shall determine if the value of the infrastructure is adequate as an equal exchange of value for the amount of City subsidy contributed to the housing project. The City Engineer shall resolve any issues concerning value or extent of infrastructure and amount of square footage of constructed housing units. Specifically, the City Engineer will determine the value or unit costs of the publicly owned infrastructure according to the City of Hobbs Annual Pavement/Concrete Work Program, Contract #1430-09, as updated or amended; and the City of Hobbs Annual Utility Work Program, Contract #1442-09, as updated or as amended.

B. Payment For Services.

- 1) The City shall pay for said services at the rates agreed to and as specified above in the Infrastructure details and the Developer's proposal, as shown herein. Payment will not be made by the City for any unit until a certificate of occupancy is issued, based on this Agreement.
- 2) The total compensation to be paid to the Developer during the term of this Agreement shall not exceed One Hundred Thousand Dollars (\$100,000.00), unless the Agreement is amended by the City Commission.
- 3) City subsidy shall be paid when each individual single family unit is complete and certificate of occupancy is issued, provided the certificate of occupancy for the unit is issued after ratification of this agreement. Payment will be made within fifteen (15) days following a written request from the Developer and upon City inspection of project completion.
- 4) Produced Units receiving an infrastructure incentive reimbursement shall not now or in

the future be utilized in a pecuniary manner by renting, leasing, exchanging or bartering habitation privileges to the property for a period of no less than 30 days at a time. Such usage either now or in the future, for a period not to exceed 10 years from date of issuance of a C.O., shall require Developer to return any incentive funds received for any unit thus utilized, upon demand by the City. Developer shall record a "Declaration of Restrictive Covenants", attached hereto as Exhibit 2, to restrict such usage and to notify parties involved in future conveyances.

C. Construction Requirements.

Construction shall be of energy-efficient design per New Mexico Energy Conservation Code 2009, utilizing either stucco or brick on the exterior of all buildings.

D. Assignment of Agreement.

This Section refers to assignability of this Agreement, and not to assignability of the Project to be developed for housing. Developer shall not assign or transfer any interest in this Agreement. Except that Developer is permitted, upon City approval, to assign its interest to a Partnership or Corporation in which the Developer is the principal party or to an affiliated company, working with the Developer on the Project. Subject to the foregoing provision, this Agreement shall inure to the benefit of and be binding upon the parties to this Agreement and their respective successors and assigns; provided that upon any assignment of this Agreement by either party, the other party shall not be released from any obligation under, or liability accruing pursuant to this Agreement. Consent shall not unreasonably be withheld by either party.

E. Insurance Requirements and Hold Harmless Provision.

1. Developer agrees to obtain and maintain appropriate insurance during the course of the work program with the City of Hobbs, as follows, and shall indemnify and hold harmless City, its employees, agents, officers and officials from any and all claims, losses, causes of action, and/or liabilities resulting from the conduct, negligence, errors or omissions of Developer or any employee or agent of Developer while engaged in performing the services called for herein. Developer will provide a current Certificate of Insurance to be attached to this agreement, with the City of Hobbs as shown as an additional insured party.

2. The Developer shall maintain insurance coverage for General Liability, Automobile Liability, Errors and Omissions Insurance, and Workers' Compensation, subject to review and approval of the City Attorney.

F. Governing Law and Provisions.

1. This Agreement shall be governed by the laws of the State of New Mexico. Jurisdiction and venue relating to any litigation or dispute arising out of this Agreement shall be in the District Court of Lea County, New Mexico, only. If any part of this contract shall be deemed in violation of the laws or Constitution of New Mexico, only such part thereof shall be thereby invalidated, and all other parts hereof shall remain valid and enforceable.

2. If any party is found by a court to have breached this Agreement, the breaching party agrees to pay all reasonable costs, attorney's fees and expenses that shall be made or incurred by another party in enforcing any covenant or provision of this Agreement, including the

expenses of in house counsel.

G. Final Payment and Release of Claims.

1. Developer, upon final payment of all amounts due under this Agreement, releases the City and its officers and employees from all liabilities, claims and obligations whatsoever arising from or under this Agreement.

2. City, upon Developer's final completion of all work items and covenants required of the Developer under this Agreement, shall release the Developer from all liabilities, claims and obligations whatsoever arising from or under this Agreement, on the day that is ten (10) years following the date of the City's issuance of a final certificate of occupancy on the Project.

H. Amendments.

This Agreement shall not be altered, changed, or amended except by written instrument approved and executed by both parties hereto.

I. Breach.

1. The following events constitute a breach of this Agreement by Developer:

a) Developer's failure to perform or comply with any of the terms, conditions or provisions of this Agreement.

2. The following events constitute a breach of this Agreement by City:

a) City's failure to perform or comply with any of the terms, conditions or provisions of this Agreement, including making timely and appropriate payments to the Developer.

J. Remedies Upon Breach.

1. Any party may sue to collect any and all damages that may accrue by virtue of the breach of this Agreement.

2. If any party is found by a court to have breached this Agreement, the breaching party agrees to pay all reasonable costs, attorney's fees and expenses that shall be made or incurred by another party in enforcing any covenant or provision of this Agreement.

K. Termination.

This Agreement shall be terminated upon the completion of all tenants herein specified or 180 days from date of ratification whichever comes first.

L. Notice.

All notices given pursuant to or in connection with this Agreement shall be made in writing and posted by regular mail, postage prepaid, to the City, ATTN: City Attorney, 200 E. Broadway, Hobbs, NM 88240; to Developer ATTN and ABS Homes, 4915 W. Big Red Rd., Hobbs, NM 88240 and to such other address as requested by either party. Notice shall be deemed to be received on the fifth day following posting.

M. Entire Agreement.


The foregoing constitutes the entire agreement between the parties hereto and may be modified only in writing by the parties hereto.

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

City of Hobbs

Developer

By: Sam D. Cobb, Mayor

By: 

ATTEST:

APPROVED AS TO FORM:

JAN FLETCHER, City Clerk

Mike H. Stone, City Attorney

DECLARATION OF RESTRICTIVE COVENANTS
FOR LOT # _____, OF BLOCK # _____ WITHIN
_____ SUBDIVISION

THIS DECLARATION made this _____ day of _____, 20____, by _____.

RECITALS:

WHEREAS, Declarant is the owner of the real property described in Exhibit "A" attached hereto and by this reference incorporated herein as the "Property"; and

WHEREAS, Declarant has requested incentive funds from the City of Hobbs, New Mexico, a New Mexico Municipal Corporation; and

WHEREAS, a proviso of receipt of such funds so requested is to restrict certain usage of the property to the benefit of the City.

NOW THEREFORE, Declarant on behalf of themselves, beneficiaries, personal representatives, successors and assigns does hereby make and establish for said property the following restrictive covenant which is to run with the land and shall be binding on all parties hereto, and all persons claiming by, through and under them until 2024.

1. The property as described herein shall not be utilized in a pecuniary manner by renting, leasing, exchanging or bartering habitation privileges to the property for a period of no less than 30 days at a time.

IN WITNESS WHEREOF, I hereby set my hand this _____ day of _____, 20____.

Declarant:

STATE OF NEW MEXICO)
 (SS.
COUNTY OF LEA)

The foregoing instrument was acknowledged before me on this ____ day of _____, 20__ by _____, to me personally known, who being by me duly sworn did say that he executed the same as his free act and deed.

In Testimony Whereof, I have hereunto set my hand and affixed my official seal in the County and State aforesaid and year first written above.

Notary Public _____

My Commission Expires: _____

DECLARATION OF RESTRICTIVE COVENANTS
FOR LOT # _____, OF BLOCK # _____ WITHIN
_____ SUBDIVISION

THIS DECLARATION made this _____ day of _____, 20____, by _____.

RECITALS:

WHEREAS, Declarant is the owner of the real property described in Exhibit "A" attached hereto and by this reference incorporated herein as the "Property"; and

WHEREAS, Declarant has requested incentive funds from the City of Hobbs, New Mexico, a New Mexico Municipal Corporation; and

WHEREAS, a proviso of receipt of such funds so requested is to restrict certain usage of the property to the benefit of the City.

NOW THEREFORE, Declarant on behalf of themselves, beneficiaries, personal representatives, successors and assigns does hereby make and establish for said property the following restrictive covenant which is to run with the land and shall be binding on all parties hereto, and all persons claiming by, through and under them until 2024.

1. The property as described herein shall not be utilized in a pecuniary manner by renting, leasing, exchanging or bartering habitation privileges to the property for a period of no less than 30 days at a time.

IN WITNESS WHEREOF, I hereby set my hand this _____ day of _____, 20__.

Declarant:

STATE OF NEW MEXICO)
(SS.
COUNTY OF LEA)

The foregoing instrument was acknowledged before me on this ___ day of _____, 20__ by _____, to me personally known, who being by me duly sworn did say that he executed the same as his free act and deed.

In Testimony Whereof, I have hereunto set my hand and affixed my official seal in the County and State aforesaid and year first written above.

Notary Public _____

My Commission Expires: _____

CITY OF HOBBS

RESOLUTION NO. 6465

A RESOLUTION TO APPROVE AND ADOPT THE MARKET RATE MULTI-FAMILY AND SINGLE FAMILY UNIT PRODUCTION MUNICIPAL INFRASTRUCTURE REIMBURSEMENT INCENTIVE PROGRAM FOR CALENDAR YEAR 2016.

WHEREAS, the City of Hobbs recognizes the need for an adequate supply of market rate rental and single family housing units; and

WHEREAS, the City of Hobbs also recognizes the negative impacts that an inadequate supply of market rate rental and single family housing units has on the local and regional economy; and

WHEREAS, the City of Hobbs finds that the production of market rate rental and single family housing units is in the best interest of the Municipality.

NOW, THEREFORE BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the City of Hobbs hereby approves and adopts the market rate multi-family and single family unit production municipal infrastructure reimbursement incentive program for calendar year 2016, as attached hereto and made part of this resolution.

PASSED, ADOPTED AND APPROVED this 18th day of July, 2016

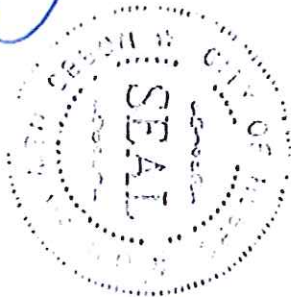


SAM D. COBB, Mayor

ATTEST:



JAN FLETCHER, City Clerk



2016 - Market Rate Multi-Family & Single Family Unit Production

Municipal Infrastructure Reimbursement - Incentive Program

Program Highlights:

1. **Yearly Program Budget:** City Commission will determine funding levels for this program and may increase or decrease levels from time to time.
2. **Development Agreement:** Each encumbrance to the budget will be supported by a Commission approved Development Agreement.
3. **Incentives** are available for installed public municipal infrastructure only. Development Agreement must be in place prior to Municipal Acceptance of infrastructure. Existing Developments that have received DA's prior to 2016 are eligible through 12/31/2016.
 - a. Incentive not to exceed per square footage basis:
 - i. \$10.00 per sq. ft. north of Sanger
 - ii. \$20.00 per sq. ft. south of Sanger
 - iii. Calculation based on living area only
 - b. Incentive not to exceed per unit basis:
 - i. \$10,000.00 per single family unit
 - ii. \$5,000.00 per multi-family unit
 - c. Incentive not to exceed fair share per linear foot of infrastructure basis:
 - i. \$180.00 per lineal front footage of complete public infrastructure installed, and further broken down as follows:
 1. **Water** (\$25 / lf):
 - a. Twenty Five (\$25) per equivalent front foot of lot to which water service is provided (8" minimum service single family & 10" minimum service for multi-family);
 2. **Sewer** (\$35 / lf):
 - a. Thirty Five (\$35) per equivalent front foot of lot to which sewer service is provided (8" minimum service single family & 10" minimum service for multi-family);
 3. **Street** (\$90/ lf):
 - a. Ninety (\$90) per equivalent front foot of lot to which street is provided (built to Minor Residential standards as promulgated within the City of Hobbs Major Thoroughfare Plan);
 4. **Sidewalk**:
 - a. Thirty (\$30) per equivalent front foot of lot to which sidewalk (includes driveway with ADA accessible path) is provided;
4. **Development Agreement:** Incentive not to exceed \$200,000.00 per Development Agreement. A Developer holding an active incentive DA shall be required to complete no less than 75% of the DA prior to being a party to a new Incentive Development Agreement. The term for any development agreement shall be limited to 6 months, unless otherwise approved by the City Commission.
5. **Time of Disbursement:** Funds to be disbursed after issuance of Certificate of Occupancies per unit.

**NOTE: Infrastructure proposed to be installed that is deemed to be oversized may require a separate Development Agreement approved by the Commission, outside of this program, as per the City of Hobbs Utility Service Policy Article III, B-6.*



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: March 20, 2017

SUBJECT: CONSIDERATION TO APPROVE A DEVELOPMENT AGREEMENT WITH BLACK GOLD ESTATES, LLC CONCERNING THE DEVELOPMENT OF MARKET RATE SINGLE-FAMILY HOUSING.

DEPT. OF ORIGIN: Planning Division
DATE SUBMITTED: March 14, 2017
SUBMITTED BY: Kevin Robinson - Planning Department

Summary: Black Gold Estates, LLC has requested a Development Agreement concerning the development of single-family housing units located within the Zia Crossing Subdivision. The developer proposes to produce market rate single-family units and is requesting infrastructure incentives of the maximum amount per DA of \$100,000.00. The terms of the attached DA is based on the 2016 Housing Incentive Policy adopted per Resolution #6465.

Fiscal Impact:

Reviewed By: [Signature]
Finance Department

FY17 Budget \$600,000.00
Single Family Housing #010100-44901-170

Attachments: Developers Proposal and Development Agreement.

Legal Review:

Approved As To Form: [Signature]
City Attorney

Recommendation:

Commission considers approval / denial of the attached Development Agreement.

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. 6532

A RESOLUTION TO APPROVE A DEVELOPMENT AGREEMENT WITH BLACK GOLD ESTATES, LLC CONCERNING THE DEVELOPMENT OF MARKET RATE SINGLE-FAMILY.

WHEREAS, the City of Hobbs is proposing to enter into a Development Agreement with Black Gold Estates, LLC concerning the development of market rate single-family housing; and

WHEREAS, the aforementioned Development Agreement allows for an incentive of reimbursement of public infrastructure for this type of development, said agreement being in the best interest of the City.

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

1. The City of Hobbs hereby approves the Development Agreement, which is attached hereto and made a part of this Agreement as Exhibit #1 and the Mayor, and/or his designee, is hereby authorized to execute the Agreement.
2. That City staff and officials are authorized to do any and all deeds to carry out the intent of this Resolution.

PASSED, ADOPTED AND APPROVED this 20th day of March, 2017.

Sam D. Cobb, Mayor

ATTEST:

Jan Fletcher, City Clerk

Black Gold Estates, LLC

726 E. Michigan Drive, Suite # 120
Hobbs, New Mexico 88240
505-850-7629

February 27, 2017

Kevin Robinson
City Planner
City of Hobbs
Hobbs, New Mexico 88240

Subject: Infrastructure Incentive at Zia Crossing Units 3, 4 & 5, Phase 1, Hobbs, Lea County, NM

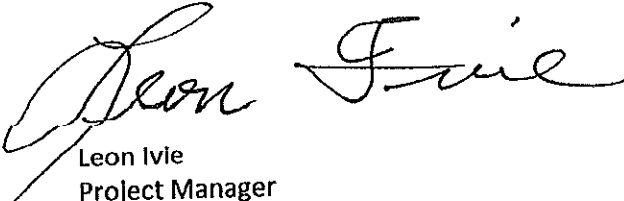
Dear Kevin,

Consider this as a formal request for the Infrastructure Incentive for 21 Single family Homes, not to exceed \$200,000 in a 12 month period, in Zia Crossing Units 3, 4, and 5, Phase 1, Hobbs, Lea County, New Mexico.

It is our understanding that you will prepare the Real Estate Development Agreement between Black Gold Estates, LLC and the City of Hobbs for our signatures.

We would request that this be placed on the agenda for the first commissioners meeting in March 2017.

Respectfully submitted,



Leon Ivie
Project Manager
Zia Crossing
Black Gold Estates, LLC

**HOUSING DEVELOPMENT AGREEMENT BETWEEN
THE CITY OF HOBBS AND SINGLE FAMILY HOUSING DEVELOPER**

THIS AGREEMENT is entered into on this 20th day of March 2017 by and between the City Of Hobbs, New Mexico, a municipal corporation (hereinafter "City"); and Black Gold Estates, LLC, 4830 N. Zia Crossing, Hobbs, NM 88240, (hereinafter "Developer") for the purpose of delivering Housing Developer Services to be provided to the City.

RECITALS:

** The City requires to contract with a Housing Development Company to deliver Single Family Market Rate Housing to the Citizens of Hobbs, New Mexico.

** Developer has submitted a proposal to the City to deliver the required Housing Developer Services work for the development of market rate single-family units, to be produced within 180 days of ratification of this agreement, within various Subdivisions located within the Municipal Boundaries.

NOW, THEREFORE, the City of Hobbs and Developer do hereby agree as follows:

A. Work To Be Performed.

1. The Developer shall furnish to the City its Professional Housing Developer Services for certain work regarding the Hobbs Single Family Housing Project. All single family structures completed under this agreement shall be located within the municipal boundaries and shall have received a certificate of occupancy after ratification of this agreement as per the incentive request proposal, which is attached hereto and made a part of this Agreement as Exhibit #1.

2. Developer shall furnish to City its professional Housing Developer Services as provided by this Agreement. The specific duties include the production and delivering to the public market Single Family Market Rate Housing Units in Hobbs. Produced Units receiving an infrastructure incentive reimbursement shall not now or in the future be utilized in a pecuniary manner by renting, leasing, exchanging or bartering habitation privileges to the property for a period of no less than 30 days at a time. The Developer shall build market rate housing on the property identified in the Developer's Proposal.

3. Specific activities required are to develop privately owned real property in the City including designing, building and transferring to the public individual market rate single family housing units. The City's subsidy may include any or all of the following funding assistance from the City:

Incentives are available for installed public municipal infrastructure only. Development Agreement must be in place prior to Municipal Acceptance of infrastructure. Existing Developments that have received DA's prior to 2017 are eligible through 12/31/2017.

- a. Incentive not to exceed per square footage basis:
 - i. \$10.00 per sq. ft. north of Sanger
 - ii. \$20.00 per sq. ft. south of Sanger
 - iii. Calculation based on living area only
- b. Incentive not to exceed per unit basis:

- i. \$10,000.00 per single family unit
- ii. \$5,000.00 per multi-family unit
- c. Incentive not to exceed fair share per linear foot of infrastructure basis:
 - i. \$180.00 per lineal front footage of complete public infrastructure installed, and further broken down as follows:
 1. Water (\$25 / lf):
 - a. Twenty Five (\$25) per equivalent front foot of lot to which water service is provided (8" minimum service single family & 10" minimum service for multi-family);
 2. Sewer (\$35 / lf):
 - a. Thirty Five (\$35) per equivalent front foot of lot to which sewer service is provided (8" minimum service single family & 10" minimum service for multi-family);
 3. Street (\$90/ lf):
 - a. Ninety (\$90) per equivalent front foot of lot to which street is provided (built to Minor Residential standards as promulgated within the City of Hobbs Major Thoroughfare Plan);
 4. Sidewalk:
 - a. Thirty (\$30) per equivalent front foot of lot to which sidewalk (includes driveway with ADA accessible path) is provided;

Based on quantities of required publicly owned infrastructure installed with the project, the City Engineer shall determine if the value of the infrastructure is adequate as an equal exchange of value for the amount of City subsidy contributed to the housing project. The City Engineer shall resolve any issues concerning value or extent of infrastructure and amount of square footage of constructed housing units. Specifically, the City Engineer will determine the value or unit costs of the publicly owned infrastructure according to the City of Hobbs Annual Pavement/Concrete Work Program, Contract #1430-09, as updated or amended; and the City of Hobbs Annual Utility Work Program, Contract #1442-09, as updated or as amended.

B. Payment For Services.

- 1) The City shall pay for said services at the rates agreed to and as specified above in the Infrastructure details and the Developer's proposal, as shown herein. Payment will not be made by the City for any unit until a certificate of occupancy is issued, based on this Agreement.
- 2) The total compensation to be paid to the Developer during the term of this Agreement shall not exceed One Hundred Thousand Dollars (\$100,000.00), unless the Agreement is amended by the City Commission.
- 3) City subsidy shall be paid when each individual single family unit is complete and certificate of occupancy is issued, provided the certificate of occupancy for the unit is issued after ratification of this agreement. Payment will be made within fifteen (15) days following a written request from the Developer and upon City inspection of project completion.
- 4) Produced Units receiving an infrastructure incentive reimbursement shall not now or in

the future be utilized in a pecuniary manner by renting, leasing, exchanging or bartering habitation privileges to the property for a period of no less than 30 days at a time. Such usage either now or in the future, for a period not to exceed 10 years from date of issuance of a C.O., shall require Developer to return any incentive funds received for any unit thus utilized, upon demand by the City. Developer shall record a "Declaration of Restrictive Covenants", attached hereto as Exhibit 2, to restrict such usage and to notify parties involved in future conveyances.

C. Construction Requirements.

Construction shall be of energy-efficient design per New Mexico Energy Conservation Code 2009, utilizing either stucco or brick on the exterior of all buildings.

D. Assignment of Agreement.

This Section refers to assignability of this Agreement, and not to assignability of the Project to be developed for housing. Developer shall not assign or transfer any interest in this Agreement. Except that Developer is permitted, upon City approval, to assign its interest to a Partnership or Corporation in which the Developer is the principal party or to an affiliated company, working with the Developer on the Project. Subject to the foregoing provision, this Agreement shall inure to the benefit of and be binding upon the parties to this Agreement and their respective successors and assigns; provided that upon any assignment of this Agreement by either party, the other party shall not be released from any obligation under, or liability accruing pursuant to this Agreement. Consent shall not unreasonably be withheld by either party.

E. Insurance Requirements and Hold Harmless Provision.

1. Developer agrees to obtain and maintain appropriate insurance during the course of the work program with the City of Hobbs, as follows, and shall indemnify and hold harmless City, its employees, agents, officers and officials from any and all claims, losses, causes of action, and/or liabilities resulting from the conduct, negligence, errors or omissions of Developer or any employee or agent of Developer while engaged in performing the services called for herein. Developer will provide a current Certificate of Insurance to be attached to this agreement, with the City of Hobbs as shown as an additional insured party.

2. The Developer shall maintain insurance coverage for General Liability, Automobile Liability, Errors and Omissions Insurance, and Workers' Compensation, subject to review and approval of the City Attorney.

F. Governing Law and Provisions.

1. This Agreement shall be governed by the laws of the State of New Mexico. Jurisdiction and venue relating to any litigation or dispute arising out of this Agreement shall be in the District Court of Lea County, New Mexico, only. If any part of this contract shall be deemed in violation of the laws or Constitution of New Mexico, only such part thereof shall be thereby invalidated, and all other parts hereof shall remain valid and enforceable.

2. If any party is found by a court to have breached this Agreement, the breaching party agrees to pay all reasonable costs, attorney's fees and expenses that shall be made or incurred by another party in enforcing any covenant or provision of this Agreement, including the

expenses of in house counsel.

G. Final Payment and Release of Claims.

1. Developer, upon final payment of all amounts due under this Agreement, releases the City and its officers and employees from all liabilities, claims and obligations whatsoever arising from or under this Agreement.
2. City, upon Developer's final completion of all work items and covenants required of the Developer under this Agreement, shall release the Developer from all liabilities, claims and obligations whatsoever arising from or under this Agreement, on the day that is ten (10) years following the date of the City's issuance of a final certificate of occupancy on the Project.

H. Amendments.

This Agreement shall not be altered, changed, or amended except by written instrument approved and executed by both parties hereto.

I. Breach.

1. The following events constitute a breach of this Agreement by Developer:
 - a) Developer's failure to perform or comply with any of the terms, conditions or provisions of this Agreement.
2. The following events constitute a breach of this Agreement by City:
 - a) City's failure to perform or comply with any of the terms, conditions or provisions of this Agreement, including making timely and appropriate payments to the Developer.

J. Remedies Upon Breach.

1. Any party may sue to collect any and all damages that may accrue by virtue of the breach of this Agreement.
2. If any party is found by a court to have breached this Agreement, the breaching party agrees to pay all reasonable costs, attorney's fees and expenses that shall be made or incurred by another party in enforcing any covenant or provision of this Agreement.

K. Termination.

This Agreement shall be terminated upon the completion of all tenants herein specified or 180 days from date of ratification whichever comes first.

L. Notice.

All notices given pursuant to or in connection with this Agreement shall be made in writing and posted by regular mail, postage prepaid, to the City, ATTN: City Attorney, 200 E. Broadway, Hobbs, NM 88240; to Developer ATTN and Black Gold Estates, LLC, 4830 N. Zia Crossing, Hobbs, NM 88240 and to such other address as requested by either party. Notice shall be deemed to be received on the fifth day following posting.

M. Entire Agreement.

The foregoing constitutes the entire agreement between the parties hereto and may be modified only in writing by the parties hereto.

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

City of Hobbs

Developer

By: Sam D. Cobb, Mayor

By:



ATTEST:

APPROVED AS TO FORM:

JAN FLETCHER, City Clerk

Mike H. Stone, City Attorney

DECLARATION OF RESTRICTIVE COVENANTS
FOR LOT #_____, OF BLOCK #_____ WITHIN
_____ SUBDIVISION

THIS DECLARATION made this _____ day of _____, 20___, by _____.

RECITALS:

WHEREAS, Declarant is the owner of the real property described in Exhibit "A" attached hereto and by this reference incorporated herein as the "Property"; and

WHEREAS, Declarant has requested incentive funds from the City of Hobbs, New Mexico, a New Mexico Municipal Corporation; and

WHEREAS, a proviso of receipt of such funds so requested is to restrict certain usage of the property to the benefit of the City.

NOW THEREFORE, Declarant on behalf of themselves, beneficiaries, personal representatives, successors and assigns does hereby make and establish for said property the following restrictive covenant which is to run with the land and shall be binding on all parties hereto, and all persons claiming by, through and under them until 2024.

1. The property as described herein shall not be utilized in a pecuniary manner by renting, leasing, exchanging or bartering habitation privileges to the property for a period of no less than 30 days at a time.

IN WITNESS WHEREOF, I hereby set my hand this _____ day of _____, 20___.

Declarant:

STATE OF NEW MEXICO)
 (SS.
COUNTY OF LEA)

The foregoing instrument was acknowledged before me on this ___ day of _____, 20__ by _____, to me personally known, who being by me duly sworn did say that he executed the same as his free act and deed.

In Testimony Whereof, I have hereunto set my hand and affixed my official seal in the County and State aforesaid and year first written above.

Notary Public _____

My Commission Expires: _____

DECLARATION OF RESTRICTIVE COVENANTS
FOR LOT # _____, OF BLOCK # _____ WITHIN
_____ SUBDIVISION

THIS DECLARATION made this _____ day of _____, 20____, by _____.

RECITALS:

WHEREAS, Declarant is the owner of the real property described in Exhibit "A" attached hereto and by this reference incorporated herein as the "Property"; and

WHEREAS, Declarant has requested incentive funds from the City of Hobbs, New Mexico, a New Mexico Municipal Corporation; and

WHEREAS, a proviso of receipt of such funds so requested is to restrict certain usage of the property to the benefit of the City.

NOW THEREFORE, Declarant on behalf of themselves, beneficiaries, personal representatives, successors and assigns does hereby make and establish for said property the following restrictive covenant which is to run with the land and shall be binding on all parties hereto, and all persons claiming by, through and under them until 2024.

1. The property as described herein shall not be utilized in a pecuniary manner by renting, leasing, exchanging or bartering habitation privileges to the property for a period of no less than 30 days at a time.

IN WITNESS WHEREOF, I hereby set my hand this _____ day of _____, 20____.

Declarant:

STATE OF NEW MEXICO)
(SS.
COUNTY OF LEA)

The foregoing instrument was acknowledged before me on this ___ day of _____, 20__ by _____, to me personally known, who being by me duly sworn did say that he executed the same as his free act and deed.

In Testimony Whereof, I have hereunto set my hand and affixed my official seal in the County and State aforesaid and year first written above.

Notary Public _____

My Commission Expires: _____

CITY OF HOBBS

RESOLUTION NO. 6465

A RESOLUTION TO APPROVE AND ADOPT THE MARKET RATE MULTI-FAMILY AND SINGLE FAMILY UNIT PRODUCTION MUNICIPAL INFRASTRUCTURE REIMBURSEMENT INCENTIVE PROGRAM FOR CALENDAR YEAR 2016.

WHEREAS, the City of Hobbs recognizes the need for an adequate supply of market rate rental and single family housing units; and

WHEREAS, the City of Hobbs also recognizes the negative impacts that an inadequate supply of market rate rental and single family housing units has on the local and regional economy; and

WHEREAS, the City of Hobbs finds that the production of market rate rental and single family housing units is in the best interest of the Municipality.


NOW, THEREFORE BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the City of Hobbs hereby approves and adopts the market rate multi-family and single family unit production municipal infrastructure reimbursement incentive program for calendar year 2016, as attached hereto and made part of this resolution.

PASSED, ADOPTED AND APPROVED this 18th day of July, 2016

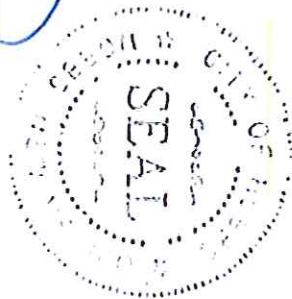


SAM D. COBB, Mayor

ATTEST:



JAN FLETCHER, City Clerk



2016 - Market Rate Multi-Family & Single Family Unit Production

Municipal Infrastructure Reimbursement - Incentive Program

Program Highlights:

1. **Yearly Program Budget:** City Commission will determine funding levels for this program and may increase or decrease levels from time to time.
2. **Development Agreement:** Each encumbrance to the budget will be supported by a Commission approved Development Agreement.
3. **Incentives** are available for installed public municipal infrastructure only. Development Agreement must be in place prior to Municipal Acceptance of infrastructure. Existing Developments that have received DA's prior to 2016 are eligible through 12/31/2016.
 - a. Incentive not to exceed per square footage basis:
 - i. \$10.00 per sq. ft. north of Sanger
 - ii. \$20.00 per sq. ft. south of Sanger
 - iii. Calculation based on living area only
 - b. Incentive not to exceed per unit basis:
 - i. \$10,000.00 per single family unit
 - ii. \$5,000.00 per multi-family unit
 - c. Incentive not to exceed fair share per linear foot of infrastructure basis:
 - i. \$180.00 per lineal front footage of complete public infrastructure installed, and further broken down as follows:
 1. **Water** (\$25 / lf):
 - a. Twenty Five (\$25) per equivalent front foot of lot to which water service is provided (8" minimum service single family & 10" minimum service for multi-family);
 2. **Sewer** (\$35 / lf):
 - a. Thirty Five (\$35) per equivalent front foot of lot to which sewer service is provided (8" minimum service single family & 10" minimum service for multi-family);
 3. **Street** (\$90/ lf):
 - a. Ninety (\$90) per equivalent front foot of lot to which street is provided (built to Minor Residential standards as promulgated within the City of Hobbs Major Thoroughfare Plan);
 4. **Sidewalk**:
 - a. Thirty (\$30) per equivalent front foot of lot to which sidewalk (includes driveway with ADA accessible path) is provided;
4. **Development Agreement:** Incentive not to exceed \$200,000.00 per Development Agreement. A Developer holding an active incentive DA shall be required to complete no less than 75% of the DA prior to being a party to a new Incentive Development Agreement. The term for any development agreement shall be limited to 6 months, unless otherwise approved by the City Commission.
5. **Time of Disbursement:** Funds to be disbursed after issuance of Certificate of Occupancies per unit.

**NOTE: Infrastructure proposed to be installed that is deemed to be oversized may require a separate Development Agreement approved by the Commission, outside of this program, as per the City of Hobbs Utility Service Policy Article III, B-6.*



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: March 20, 2017

SUBJECT: CONSIDERATION TO APPROVE A DEVELOPMENT AGREEMENT WITH FRENCH BROTHERS, INC. CONCERNING THE DEVELOPMENT OF MARKET RATE SINGLE-FAMILY HOUSING.

DEPT. OF ORIGIN: Planning Division
DATE SUBMITTED: March 14, 2017
SUBMITTED BY: Kevin Robinson - Planning Department

Summary: French Brothers, Inc. has requested a Development Agreement concerning the development of single-family housing units located within the Zia Crossing Subdivision. The developer proposes to produce market rate single-family units and is requesting infrastructure incentives of the maximum amount per DA of \$100,000.00. The terms of the attached DA is based on the 2016 Housing Incentive Policy adopted per Resolution #6465.

Fiscal Impact:

Reviewed By: [Signature]
Finance Department

FY17 Budget \$600,000.00

Single Family Housing #010100-44901-170

Attachments: Developers Proposal and Development Agreement.

Legal Review:

Approved As To Form: [Signature]
City Attorney

Recommendation:

Commission considers approval / denial of the attached Development Agreement.

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. 6533

A RESOLUTION TO APPROVE A DEVELOPMENT AGREEMENT WITH FRENCH BROTHERS, INC. CONCERNING THE DEVELOPMENT OF MARKET RATE SINGLE-FAMILY.

WHEREAS, the City of Hobbs is proposing to enter into a Development Agreement with French Brothers, Inc. concerning the development of market rate single-family housing; and

WHEREAS, the aforementioned Development Agreement allows for an incentive of reimbursement of public infrastructure for this type of development, said agreement being in the best interest of the City.

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

1. The City of Hobbs hereby approves the Development Agreement, which is attached hereto and made a part of this Agreement as Exhibit #1 and the Mayor, and/or his designee, is hereby authorized to execute the Agreement.
2. That City staff and officials are authorized to do any and all deeds to carry out the intent of this Resolution.

PASSED, ADOPTED AND APPROVED this 20th day of March, 2017.

Sam D. Cobb, Mayor

ATTEST:

Jan Fletcher, City Clerk



February 27, 2017

Kevin Robinson
City Planner
City of Hobbs
Hobbs, New Mexico 88240

Subject: Infrastructure Incentive at Zia Crossing, Units # 3 and 5, Phase 1, Hobbs, Lea County, NM

Dear Kevin,

Consider this as a formal request for the Infrastructure Incentive for 21 Single family Homes, not to exceed \$200,000 in a 12 month period, in Zia Crossing Units # 3 and 5, Phase 1, Hobbs, Lea County, New Mexico.

It is our understanding that you will prepare the Real Estate Development Agreement between, French Brothers, Inc., and the City of Hobbs for our signatures.

We would request that this be placed on the agenda for the first commissioners meeting in March 2017.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Tommy L. French". The signature is fluid and cursive.

Tommy L. French
Owner
French Brothers, Inc.

**HOUSING DEVELOPMENT AGREEMENT BETWEEN
THE CITY OF HOBBS AND SINGLE FAMILY HOUSING DEVELOPER**

THIS AGREEMENT is entered into on this 20th day of March 2017 by and between the City Of Hobbs, New Mexico, a municipal corporation (hereinafter "City"); and French Brothers, Inc, PO Box 593, Alamogordo, NM 88310, (hereinafter "Developer") for the purpose of delivering Housing Developer Services to be provided to the City.

RECITALS:

** The City requires to contract with a Housing Development Company to deliver Single Family Market Rate Housing to the Citizens of Hobbs, New Mexico.

** Developer has submitted a proposal to the City to deliver the required Housing Developer Services work for the development of market rate single-family units, to be produced within 180 days of ratification of this agreement, within various Subdivisions located within the Municipal Boundaries.

NOW, THEREFORE, the City of Hobbs and Developer do hereby agree as follows:

A. Work To Be Performed.

1. The Developer shall furnish to the City its Professional Housing Developer Services for certain work regarding the Hobbs Single Family Housing Project. All single family structures completed under this agreement shall be located within the municipal boundaries and shall have received a certificate of occupancy after ratification of this agreement as per the incentive request proposal, which is attached hereto and made a part of this Agreement as Exhibit #1.

2. Developer shall furnish to City its professional Housing Developer Services as provided by this Agreement. The specific duties include the production and delivering to the public market Single Family Market Rate Housing Units in Hobbs. Produced Units receiving an infrastructure incentive reimbursement shall not now or in the future be utilized in a pecuniary manner by renting, leasing, exchanging or bartering habitation privileges to the property for a period of no less than 30 days at a time. The Developer shall build market rate housing on the property identified in the Developer's Proposal.

3. Specific activities required are to develop privately owned real property in the City including designing, building and transferring to the public individual market rate single family housing units. The City's subsidy may include any or all of the following funding assistance from the City:

Incentives are available for installed public municipal infrastructure only. Development Agreement must be in place prior to Municipal Acceptance of infrastructure. Existing Developments that have received DA's prior to 2017 are eligible through 12/31/2017.

- a. Incentive not to exceed per square footage basis:
 - i. \$10.00 per sq. ft. north of Sanger
 - ii. \$20.00 per sq. ft. south of Sanger
 - iii. Calculation based on living area only
- b. Incentive not to exceed per unit basis:

- i. \$10,000.00 per single family unit
- ii. \$5,000.00 per multi-family unit
- c. Incentive not to exceed fair share per linear foot of infrastructure basis:
 - i. \$180.00 per lineal front footage of complete public infrastructure installed, and further broken down as follows:
 - 1. Water (\$25 / lf):
 - a. Twenty Five (\$25) per equivalent front foot of lot to which water service is provided (8" minimum service single family & 10" minimum service for multi-family);
 - 2. Sewer (\$35 / lf):
 - a. Thirty Five (\$35) per equivalent front foot of lot to which sewer service is provided (8" minimum service single family & 10" minimum service for multi-family);
 - 3. Street (\$90/ lf):
 - a. Ninety (\$90) per equivalent front foot of lot to which street is provided (built to Minor Residential standards as promulgated within the City of Hobbs Major Thoroughfare Plan);
 - 4. Sidewalk:
 - a. Thirty (\$30) per equivalent front foot of lot to which sidewalk (includes driveway with ADA accessible path) is provided;

Based on quantities of required publicly owned infrastructure installed with the project, the City Engineer shall determine if the value of the infrastructure is adequate as an equal exchange of value for the amount of City subsidy contributed to the housing project. The City Engineer shall resolve any issues concerning value or extent of infrastructure and amount of square footage of constructed housing units. Specifically, the City Engineer will determine the value or unit costs of the publicly owned infrastructure according to the City of Hobbs Annual Pavement/Concrete Work Program, Contract #1430-09, as updated or amended; and the City of Hobbs Annual Utility Work Program, Contract #1442-09, as updated or as amended.

B. Payment For Services.

- 1) The City shall pay for said services at the rates agreed to and as specified above in the Infrastructure details and the Developer's proposal, as shown herein. Payment will not be made by the City for any unit until a certificate of occupancy is issued, based on this Agreement.
- 2) The total compensation to be paid to the Developer during the term of this Agreement shall not exceed One Hundred Thousand Dollars (\$100,000.00), unless the Agreement is amended by the City Commission.
- 3) City subsidy shall be paid when each individual single family unit is complete and certificate of occupancy is issued, provided the certificate of occupancy for the unit is issued after ratification of this agreement. Payment will be made within fifteen (15) days following a written request from the Developer and upon City inspection of project completion.
- 4) Produced Units receiving an infrastructure incentive reimbursement shall not now or in

the future be utilized in a pecuniary manner by renting, leasing, exchanging or bartering habitation privileges to the property for a period of no less than 30 days at a time. Such usage either now or in the future, for a period not to exceed 10 years from date of issuance of a C.O., shall require Developer to return any incentive funds received for any unit thus utilized, upon demand by the City. Developer shall record a "Declaration of Restrictive Covenants", attached hereto as Exhibit 2, to restrict such usage and to notify parties involved in future conveyances.

C. Construction Requirements.

Construction shall be of energy-efficient design per New Mexico Energy Conservation Code 2009, utilizing either stucco or brick on the exterior of all buildings.

D. Assignment of Agreement.

This Section refers to assignability of this Agreement, and not to assignability of the Project to be developed for housing. Developer shall not assign or transfer any interest in this Agreement. Except that Developer is permitted, upon City approval, to assign its interest to a Partnership or Corporation in which the Developer is the principal party or to an affiliated company, working with the Developer on the Project. Subject to the foregoing provision, this Agreement shall inure to the benefit of and be binding upon the parties to this Agreement and their respective successors and assigns; provided that upon any assignment of this Agreement by either party, the other party shall not be released from any obligation under, or liability accruing pursuant to this Agreement. Consent shall not unreasonably be withheld by either party.

E. Insurance Requirements and Hold Harmless Provision.

1. Developer agrees to obtain and maintain appropriate insurance during the course of the work program with the City of Hobbs, as follows, and shall indemnify and hold harmless City, its employees, agents, officers and officials from any and all claims, losses, causes of action, and/or liabilities resulting from the conduct, negligence, errors or omissions of Developer or any employee or agent of Developer while engaged in performing the services called for herein. Developer will provide a current Certificate of Insurance to be attached to this agreement, with the City of Hobbs as shown as an additional insured party.

2. The Developer shall maintain insurance coverage for General Liability, Automobile Liability, Errors and Omissions Insurance, and Workers' Compensation, subject to review and approval of the City Attorney.

F. Governing Law and Provisions.

1. This Agreement shall be governed by the laws of the State of New Mexico. Jurisdiction and venue relating to any litigation or dispute arising out of this Agreement shall be in the District Court of Lea County, New Mexico, only. If any part of this contract shall be deemed in violation of the laws or Constitution of New Mexico, only such part thereof shall be thereby invalidated, and all other parts hereof shall remain valid and enforceable.

2. If any party is found by a court to have breached this Agreement, the breaching party agrees to pay all reasonable costs, attorney's fees and expenses that shall be made or incurred by another party in enforcing any covenant or provision of this Agreement, including the

expenses of in house counsel.

G. Final Payment and Release of Claims.

1. Developer, upon final payment of all amounts due under this Agreement, releases the City and its officers and employees from all liabilities, claims and obligations whatsoever arising from or under this Agreement.
2. City, upon Developer's final completion of all work items and covenants required of the Developer under this Agreement, shall release the Developer from all liabilities, claims and obligations whatsoever arising from or under this Agreement, on the day that is ten (10) years following the date of the City's issuance of a final certificate of occupancy on the Project.

H. Amendments.

This Agreement shall not be altered, changed, or amended except by written instrument approved and executed by both parties hereto.

I. Breach.

1. The following events constitute a breach of this Agreement by Developer:
 - a) Developer's failure to perform or comply with any of the terms, conditions or provisions of this Agreement.
2. The following events constitute a breach of this Agreement by City:
 - a) City's failure to perform or comply with any of the terms, conditions or provisions of this Agreement, including making timely and appropriate payments to the Developer.

J. Remedies Upon Breach.

1. Any party may sue to collect any and all damages that may accrue by virtue of the breach of this Agreement.
2. If any party is found by a court to have breached this Agreement, the breaching party agrees to pay all reasonable costs, attorney's fees and expenses that shall be made or incurred by another party in enforcing any covenant or provision of this Agreement.

K. Termination.

This Agreement shall be terminated upon the completion of all tenants herein specified or 180 days from date of ratification whichever comes first.

L. Notice.

All notices given pursuant to or in connection with this Agreement shall be made in writing and posted by regular mail, postage prepaid, to the City, ATTN: City Attorney, 200 E. Broadway, Hobbs, NM 88240; to Developer ATTN and French Brothers, Inc, PO Box 593, Alamogordo, NM 88310 and to such other address as requested by either party. Notice shall be deemed to be received on the fifth day following posting.

M. Entire Agreement.

The foregoing constitutes the entire agreement between the parties hereto and may be modified only in writing by the parties hereto.

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

City of Hobbs

Developer

By: Sam D. Cobb, Mayor

By: 

ATTEST:

APPROVED AS TO FORM:

JAN FLETCHER, City Clerk

Mike H. Stone, City Attorney

DECLARATION OF RESTRICTIVE COVENANTS
FOR LOT # _____, OF BLOCK # _____ WITHIN
_____ SUBDIVISION

THIS DECLARATION made this _____ day of _____, 20____, by _____.

RECITALS:

WHEREAS, Declarant is the owner of the real property described in Exhibit "A" attached hereto and by this reference incorporated herein as the "Property"; and

WHEREAS, Declarant has requested incentive funds from the City of Hobbs, New Mexico, a New Mexico Municipal Corporation; and

WHEREAS, a proviso of receipt of such funds so requested is to restrict certain usage of the property to the benefit of the City.

NOW THEREFORE, Declarant on behalf of themselves, beneficiaries, personal representatives, successors and assigns does hereby make and establish for said property the following restrictive covenant which is to run with the land and shall be binding on all parties hereto, and all persons claiming by, through and under them until 2024.

1. The property as described herein shall not be utilized in a pecuniary manner by renting, leasing, exchanging or bartering habitation privileges to the property for a period of no less than 30 days at a time.

IN WITNESS WHEREOF, I hereby set my hand this _____ day of _____, 20____.

Declarant:

STATE OF NEW MEXICO)
(SS.
COUNTY OF LEA)

The foregoing instrument was acknowledged before me on this ___ day of _____, 20__ by _____, to me personally known, who being by me duly sworn did say that he executed the same as his free act and deed.

In Testimony Whereof, I have hereunto set my hand and affixed my official seal in the County and State aforesaid and year first written above.

Notary Public _____

My Commission Expires: _____

CITY OF HOBBS

RESOLUTION NO. 6465

A RESOLUTION TO APPROVE AND ADOPT THE MARKET RATE MULTI-FAMILY AND SINGLE FAMILY UNIT PRODUCTION MUNICIPAL INFRASTRUCTURE REIMBURSEMENT INCENTIVE PROGRAM FOR CALENDAR YEAR 2016.

WHEREAS, the City of Hobbs recognizes the need for an adequate supply of market rate rental and single family housing units; and

WHEREAS, the City of Hobbs also recognizes the negative impacts that an inadequate supply of market rate rental and single family housing units has on the local and regional economy; and

WHEREAS, the City of Hobbs finds that the production of market rate rental and single family housing units is in the best interest of the Municipality.

NOW, THEREFORE BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the City of Hobbs hereby approves and adopts the market rate multi-family and single family unit production municipal infrastructure reimbursement incentive program for calendar year 2016, as attached hereto and made part of this resolution.

PASSED, ADOPTED AND APPROVED this 18th day of July, 2016

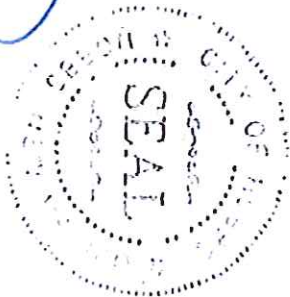


SAM D. COBB, Mayor

ATTEST:



JAN FLETCHER, City Clerk



2016 - Market Rate Multi-Family & Single Family Unit Production

Municipal Infrastructure Reimbursement - Incentive Program

Program Highlights:

1. **Yearly Program Budget:** City Commission will determine funding levels for this program and may increase or decrease levels from time to time.
2. **Development Agreement:** Each encumbrance to the budget will be supported by a Commission approved Development Agreement.
3. **Incentives** are available for installed public municipal infrastructure only. Development Agreement must be in place prior to Municipal Acceptance of infrastructure. Existing Developments that have received DA's prior to 2016 are eligible through 12/31/2016.
 - a. Incentive not to exceed per square footage basis:
 - i. \$10.00 per sq. ft. north of Sanger
 - ii. \$20.00 per sq. ft. south of Sanger
 - iii. Calculation based on living area only
 - b. Incentive not to exceed per unit basis:
 - i. \$10,000.00 per single family unit
 - ii. \$5,000.00 per multi-family unit
 - c. Incentive not to exceed fair share per linear foot of infrastructure basis:
 - i. \$180.00 per lineal front footage of complete public infrastructure installed, and further broken down as follows:
 1. **Water** (\$25 / lf):
 - a. Twenty Five (\$25) per equivalent front foot of lot to which water service is provided (8" minimum service single family & 10" minimum service for multi-family);
 2. **Sewer** (\$35 / lf):
 - a. Thirty Five (\$35) per equivalent front foot of lot to which sewer service is provided (8" minimum service single family & 10" minimum service for multi-family);
 3. **Street** (\$90/ lf):
 - a. Ninety (\$90) per equivalent front foot of lot to which street is provided (built to Minor Residential standards as promulgated within the City of Hobbs Major Thoroughfare Plan);
 4. **Sidewalk:**
 - a. Thirty (\$30) per equivalent front foot of lot to which sidewalk (includes driveway with ADA accessible path) is provided;
4. **Development Agreement:** Incentive not to exceed \$200,000.00 per Development Agreement. A Developer holding an active incentive DA shall be required to complete no less than 75% of the DA prior to being a party to a new Incentive Development Agreement. The term for any development agreement shall be limited to 6 months, unless otherwise approved by the City Commission.
5. **Time of Disbursement:** Funds to be disbursed after issuance of Certificate of Occupancies per unit.

**NOTE: Infrastructure proposed to be installed that is deemed to be oversized may require a separate Development Agreement approved by the Commission, outside of this program, as per the City of Hobbs Utility Service Policy Article III, B-6.*



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: March 20th, 2017

SUBJECT: ANNUAL PAVEMENT AGREEMENT TASK ORDER TO RAMIREZ & SON'S
(Drainage Improvement Project - Marquis Alley / Commerce & Industrial Intersection / Commercial Rear Access - Alley Improvements)

DEPT. OF ORIGIN: Engineering Department
DATE SUBMITTED: 03-14-17
SUBMITTED BY: Todd Randall, City Engineer

Summary:

The Engineering Department in conjunction with the Street Department have identified three drainage improvement project that would either address street department maintenance problem, mitigate property damage during small storm events or inundate intersection with no drainage relief, which outlined as follows:

1.) Industrial & Commerce Intersection (\$100,000)

The intersection would be re-constructed and a retention pond constructed along the RR corridor to create a drainage basin for water to flow off the street. This is an interim improvement to alleviate the intersection from chronically flooding during small storm events.

2.) Marquis Alley - Fire Station No. 3 to Camino Real (\$90,000)

The alley would be regraded and a permanent concrete flowline established to ensure proper drainage of the alley. A preliminary design has been completed, which shows several residential backyards lower than the alley. In addition, the alley will be partially paved. In order for this project to be successful, Staff will coordinate with the adjacent property owners to educate and provide technical assistance, since individual properties will need to protect their own properties from flooding during larger storm events.

3.) Commercial Alley Improvements - Grimes St from Caprock to Kiowa / Sand Ridge (\$60,000)

This alley is currently partially paved although not built to current alley pavement standards, which would include a concrete flow line to ensure proper drainage. The original alley pavement was constructed in phases by the adjacent commercial development. The proposed project would include a concrete flowline and re-pavement of alley as needed. In addition, alley drive pads will be installed, which was not a requirement at the time of the adjacent subdivision construction.

Any task under the Annual Agreement over \$60,000 shall be approved by the City Commission. There are sufficient funds in Fund 48, although would require transfer from Project 189 (Grimes & College Lane Intersection) to Project 46 (Misc. Drainage Improvements). Project 189 is complete and has remaining balance of \$137,000 proposed for these improvements.

Fiscal Impact:

Reviewed By: [Signature]
Finance Department

Budget Line: 48-4048-44901-00046 / 48-4048-44901-00189
Available: \$260,000 (Combines funding from two accounts - Misc. Drainage & College Lane / Grimes
Ramirez WO: \$250,000 includes GRT

Fund Transfer from Project 189 to Project 46 of \$137,000

Attachments: Location Map

Legal Review:

Approved As To Form: _____
City Attorney

Recommendation: Consideration for approval of a work order to Ramirez & Son's

Approved For Submittal By:

[Signature]
Department Director

City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

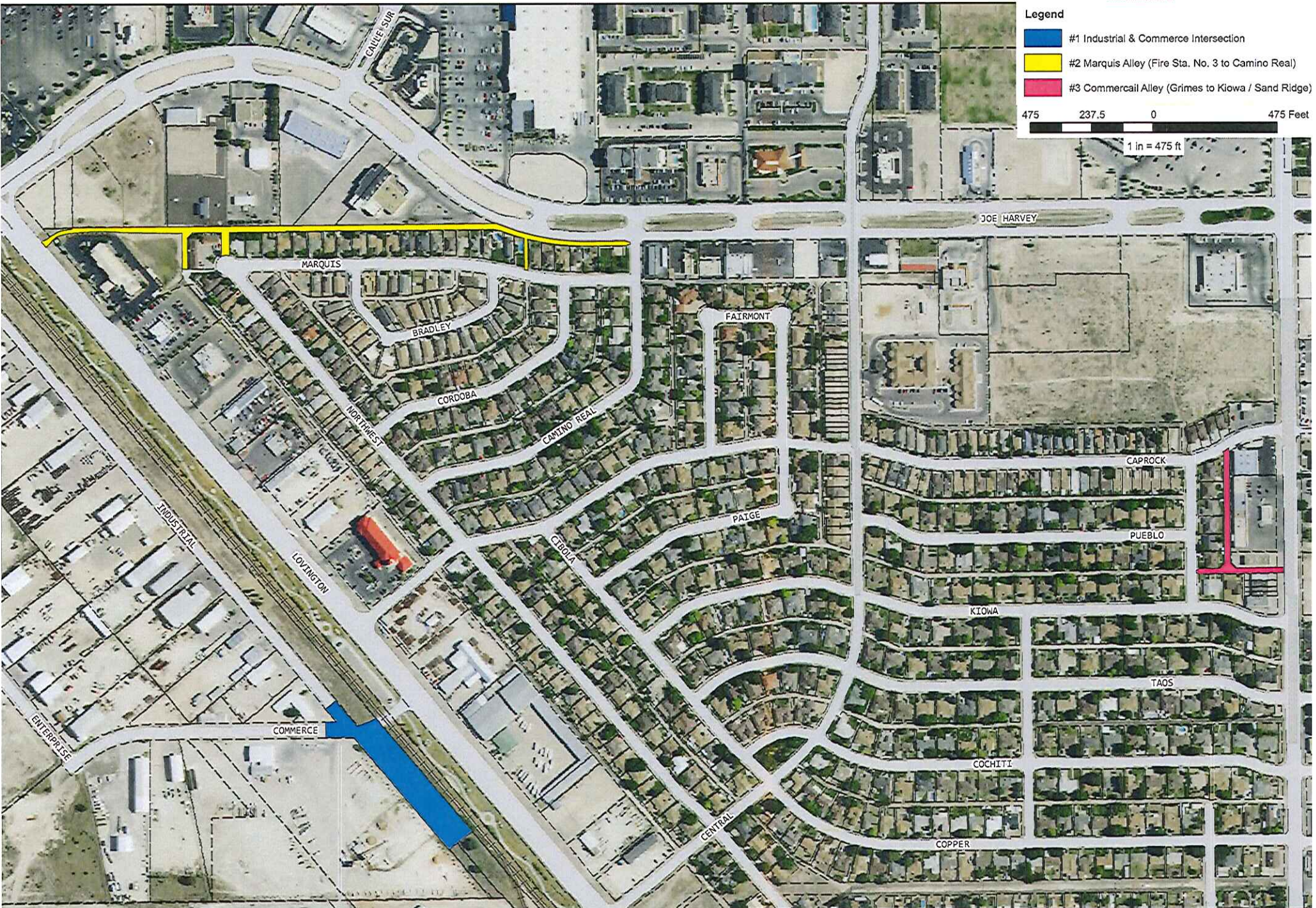
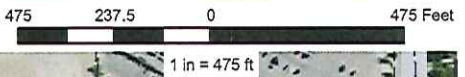
Resolution No. _____
Ordinance No. _____
Approved _____
Other _____

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



Legend

- #1 Industrial & Commerce Intersection
- #2 Marquis Alley (Fire Sta. No. 3 to Camino Real)
- #3 Commercail Alley (Grimes to Kiowa / Sand Ridge)





CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: March 20th, 2017

SUBJECT: ANNUAL PAVEMENT AGREEMENT TASK ORDER TO RAMIREZ & SON'S
(MAIN ST. PAVEMENT IMPROVEMENTS)

DEPT. OF ORIGIN: Engineering Department
DATE SUBMITTED: 03-14-17
SUBMITTED BY: Todd Randall, City Engineer

Summary:

Entrench is currently under contract with the City of Hobbs for the Sidewalk & ADA Improvements along Main St., which is partially Federally Funded. This project only includes pavement patching the roadway where concrete improvements are installed. Re-paving the entire roadway would eliminate patchwork pavement and construction joints throughout Main St.

At the time of this Staff Summary, City staff has requested a change order to remove all paving from the Main St Sidewalk & ADA Improvement Project. The Scope of Work for both the Federal Grant Agreement and the overall construction project description is limited to Sidewalk & ADA improvements. Section 109.7 - Eliminated Items in the NMDOT 2017 Edition allows for the elimination of work and pay items from the contract without invalidating the contract and no compensation to the contractor for eliminated work. The contractor would be eligible for stockpiled material, which is not applicable for small patching/paving work.

A Change Order would be issued for a net contract price reduction of approximately \$75,000 from the Entrench contract, which would eliminate all minor paving on the project. The City Manager may execute the proposed Change Order, since it's a net contract deduction after Commission consideration / approval of the Task Order to Ramirez & Son's for the re-paving of Main St. from Dal Paso to the alley east of 8th street. In addition, due to grade changes within intersection, we are anticipating increased quantities for intersection re-pavement with the current Entrench contract, if it is the direction of the City Commission to not approve the Ramirez Task Order.

Attached is the estimated cost of work by contracting through the City of Hobbs Annual Agreement with Ramirez & Son's, which is estimated at \$351,000 (includes GRT).

Staff believes that this will provide a superior final project that is consistent with other improvements in the area.

Fiscal Impact:

Reviewed By: [Signature]
Finance Department

Budget Line: 48-4048-44901-00046
Available: \$400,000
Ramirez WO: \$351,000 includes GRT
Entrench CO: (\$75,000 includes GRT) - Contract reduction
Remaining Balance \$124,000

Attachments: Ramirez Work Order Estimate / Location Map

Legal Review:

Approved As To Form: _____
City Attorney

Recommendation: Consideration for approval of a work order to Ramirez & Son's

Approved For Submittal By:

[Signature]
Department Director

City Manager

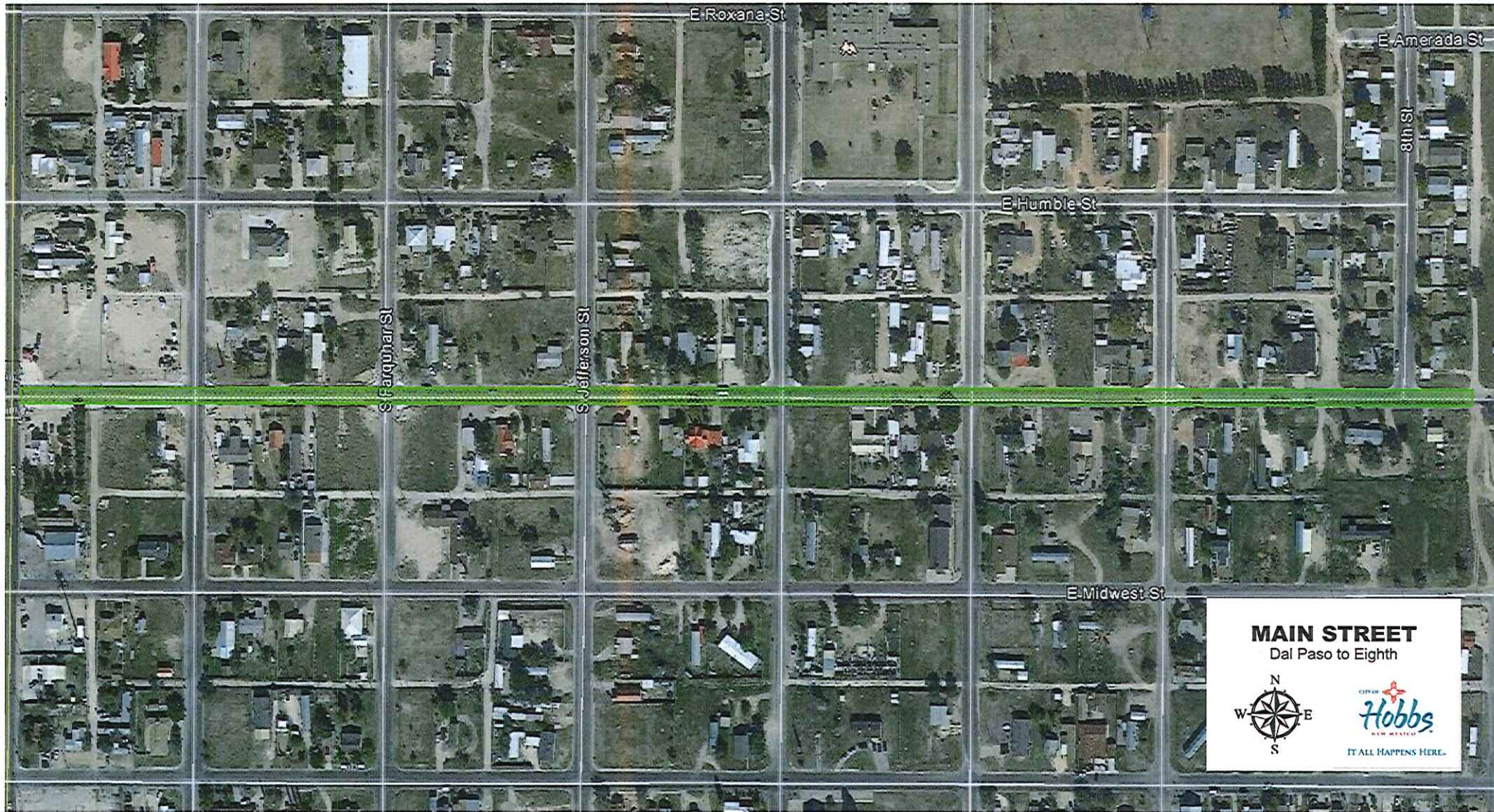
CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

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

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

RAMIREZ & SON'S WORK ON THE ANNUAL AGREEMENT (MAIN ST. PAVEMENT IMPROVEMENTS)
 MAIN ST. PAVEMENT IMPROVEMENTS
 3/15/2017

ANNUAL PAVEMENT AND CONCRETE WORK AGREEMENT						
ITEM NO.	DESCRIPTION	UNIT	QTY.	UNIT PRICE	ESTIMATED QUANTITY	ESTIMATED COST
203002	UNCLASSIFIED EXCAVATION (301 – PLUS CY)	C.Y.	1	\$5.50	4000	\$22,000.00
302004	PROCESSING, PLACING, & COMPACTING EXISTING PAVEMENT AND BASE COURSE (8" DEPTH) COMPLETE IN PLACE. (11,001 S.Y PLUS)	S.Y.	1	\$2.85	14000	\$39,900.00
408002	PRIME COAT MATERIAL, COMPLETE IN PLACE (2001 PLUS S.Y.)	S.Y.	1	\$0.65	14000	\$9,100.00
423278	3" HOT-MIX ASPHALT SP IV, COMPLETE IN PALCE. (5001 PLUS SY)	S.Y.	1	\$15.12	14000	\$211,680.00
662400	ADJUST MANHOLE TO GRADE, COMPLETE IN PLACE	EACH	1	\$700.00	14	\$9,800.00
702800	TRAFFIC CONTROL PLAN, LUMP SUM NEGOTIATED AT TIME OF TASK ORDER	L.S.	1	\$15,000.00	1	\$15,000.00
801000	CONSTRUCTION STAKING BY CONTRACTOR, CONTROL POINTS PROVIDED BY THE CITY OF HOBBS, NEGOTIATED AT TIME OF TASK ORDER	L.S.	1	\$2,500.00	1	\$2,500.00
TOTAL ESTIMATED COST						\$328,380.00
					COST PER SY	\$23.46
					COST PER LIN. FT.	\$96.43
					LINEAR FEET OF ROADWAY	3000
					WIDTH OF ROADWAY (FT)	37



E. Roxana St

E. Amerada St

8th St

E. Humble St

S. Farquhar St

S. Jefferson St

E. Midwest St

MAIN STREET
Dal Paso to Eighth



IT ALL HAPPENS HERE.