

# Commission Meeting Agenda



## *Mayor*

Samuel D. Cobb

## *City Commission*

Marshall R. Newman

Christopher R. Mills

Patricia A. Taylor

Joseph D. Calderón

Dwayne Penick

Don R. Gerth

## *Acting City Manager*

Manny Gomez

*June 4, 2018*



**Hobbs City Commission**  
**Regular Meeting**  
**City Hall, City Commission Chamber**  
**200 E. Broadway, 1<sup>st</sup> Floor Annex, Hobbs, New Mexico**

**Monday, June 4, 2018 - 6:00 p.m.**

Sam D. Cobb, Mayor

Marshall R. Newman  
Commissioner - District 1

Christopher R. Mills  
Commissioner - District 2

Patricia A. Taylor  
Commissioner - District 3

Joseph D. Calderón  
Commissioner - District 4

Dwayne Penick  
Commissioner - District 5

Don R. Gerth  
Commissioner - District 6

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**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](http://www.hobbsnm.org)*

**CALL TO ORDER AND ROLL CALL**

**INVOCATION AND PLEDGE OF ALLEGIANCE**

**APPROVAL OF MINUTES**

1. Minutes of the May 21, 2018, Regular Commission Meeting
2. Minutes of the May 21, 2018, Commission Work Session

**PROCLAMATIONS AND AWARDS OF MERIT**

3. Recognition of Maddox Leadership Institute Graduates: Todd Randall, Barry Young, Chris Davis, Brandon Roberts (*Manny Gomez, Acting City Manager*)

**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.)*

4. Consideration of Approval of Bid No. 1571-18 to Furnish and Install Air Conditioner Filters in All City Buildings and the CORE and Recommendation to Accept the Bid of Gary's Heating & Air Conditioning in the Amount of \$64,301.13 (Including GRT) *(Shelia Baker, General Services Director)*
5. Resolution No. 6668 - Approving the Involvement of the City of Hobbs with the Lea County Legislative Coalition *(Manny Gomez, Acting City Manager)*

## **DISCUSSION**

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

6. Consideration of Approval of RFP No. 501-18 for Municipal Corrosion and Odor Control Services and Recommendation to Accept the Proposal of Evoqua Water Technologies *(Tim Woomeer, Utilities Director)*
7. Resolution No. 6669 - Authorizing the Purchase of a 2016 Smeal Rescue Pumper from Smeal Fire Apparatus in the Amount of \$480,000 Utilizing an HGAC Contract *(Barry Young, Deputy Fire Chief)*
8. Resolution No. 6670 - Authorizing an Inter-Governmental Agreement Between the State of New Mexico Motor Vehicle Division and the City of Hobbs for Operation of the Local Motor Vehicle Department *(Toby Spears, Finance Director)*
9. Resolution No. 6671 - Authorizing FY 18-19 Funding Appropriations for Economic Development and Marketing Entities *(Mike Stone, City Attorney)*
10. Resolution No. 6672 - Authorizing FY 18-19 Funding Appropriation for the Juneteenth Celebration *(Mike Stone, City Attorney)*
11. Resolution No. 6673 - Approving a Development Agreement with Habitat for Humanity Concerning the Development of Low Income Single-Family Housing Units Located Within the Albertson Block 1 Subdivision *(Kevin Robinson, Planning Department)*

## **COMMENTS BY CITY COMMISSIONERS, CITY MANAGER**

12. Next Meeting Date:

- ▶ City Commission Regular Meeting  
***Monday, June 18, 2018***, 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. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the City Clerk's Office if a summary or other type of accessible format is needed.



# CITY OF HOBBS

## COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 4, 2018

**SUBJECT:** City Commission Meeting Minutes

DEPT. OF ORIGIN: City Clerk's Office  
DATE SUBMITTED: May 31, 2018  
SUBMITTED BY: Jan Fletcher, City Clerk

**Summary:**

The following minutes are submitted for approval:

- ▶ Regular Commission Meeting of May 21, 2018
- ▶ Commission Work Session of May 21, 2018

**Fiscal Impact:**

Reviewed By: \_\_\_\_\_  
Finance Department

N/A

**Attachments:**

Minutes as referenced under "Summary".

**Legal Review:**

Approved As To Form: \_\_\_\_\_  
City Attorney

**Recommendation:**

Motion to approve the minutes as presented.

Approved For Submittal By:

  
\_\_\_\_\_  
Department Director  
  
\_\_\_\_\_  
City Manager

**CITY CLERK'S USE ONLY  
COMMISSION ACTION TAKEN**

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

Minutes of the regular meeting of the Hobbs City Commission held on Monday, May 21, 2018, in the City Commission Chamber, 200 East Broadway, 1<sup>st</sup> Floor Annex, Hobbs, New Mexico.

### **Call to Order and Roll Call**

Mayor Cobb called the meeting to order at 6:10 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 Christopher Mills  
Commissioner Patricia A. Taylor  
Commissioner Joseph D. Calderón  
Commissioner Dwayne Penick  
Commissioner Don Gerth

Also present:

Manny Gomez, Acting City Manager/Fire Chief  
Mike Stone, City Attorney  
Efren Cortez, Deputy City Attorney  
Chris McCall, Police Chief  
Clipper Miller, Police Lieutenant  
Barry Young, Deputy Fire Chief  
Mike Prudencio, Fire Captain  
Kevin Shearer, Fire Captain  
Ron Roberts, Information Technology Director  
Todd Randall, City Engineer  
Kevin Robinson, Development Director  
Shelia Baker, General Services Director  
Tim Woomer, Utilities Director  
Toby Spears, Finance Director  
Britt Lusk, Administrative Services Director  
Raymond Bonilla, Community Services Director  
Doug McDaniel, Parks and Recreation Director  
Lindsay Chism McCarter, CORE Marketing Director  
Matt Hughes, Golf Superintendent  
Wade Whitehead, Parks Superintendent  
Nicholas Goulet, Human Resources Director  
Sandy Farrell, Library Director  
Ann Betzen, Risk Manager/Executive Assistant  
Mollie Maldonado, Deputy City Clerk  
Jan Fletcher, City Clerk  
31 citizens

### **Invocation and Pledge of Allegiance**

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

### **Approval of Minutes**

Commissioner Newman moved that the minutes of the regular meeting held on May 7, 2018, be approved as presented. Commissioner Taylor seconded the motion and the vote was recorded as follows: Newman yes, Mills yes, Taylor yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried.

### **Proclamations and Awards of Merit**

*Proclamation Proclaiming the Week of May 20 - 26, 2018, as "Emergency Medical Services Week".*

Mayor Cobb proclaimed the week of May 20-26, 2018, as "Emergency Medical Services Week". He presented the proclamation to Fire Captain Michael Prudencio. Fire Captain Prudencio addressed several comments to the Commission and thanked everyone for their support.

### **Public Comments**

Mr. Justin Fraley, Hobbs High School Honor Graduate of 2018, stated he was in the Top 36 of his class. Mr. Fraley thanked the Commission and City for allowing the graduates to utilize the CORE for the Senior Bash. He stated the new facility is awesome and it kept everyone in a safe environment and helped prevent the loss of any lives due to alcohol on graduation night.

### **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 Newman moved for approval of the following Consent Agenda Item(s):

*Resolution No. 6660 - Authorizing the Appointment of Philip Ingram to the City of Hobbs Utility Board.*

*Consideration of Approval of a Professional Services Agreement with the Boys and Girls Club of Hobbs.*

Resolution No. 6661 - Approving the FY 2018 DFA 3<sup>rd</sup> Quarter Financial Report.

Resolution No. 6662 - Approving the FY 2018 Lodgers' Tax DFA 3<sup>rd</sup> Quarter Financial Report.

Resolution No. 6663 - Authorizing a Mutual Aid Agreement Between the Hobbs Police Department and the Carlsbad Police Department.

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

### **Discussion**

Presentation of FY 18-19 Funding Requests by Economic Development and Marketing Entities.

- Economic Development Corporation of Lea County (EDC)

Mr. Finn Smith, Chairman of the Economic Development Corporation of Lea County (EDC), and Mr. Steve Vierck, President and CEO of the EDC, presented a brief PowerPoint presentation to the Commission. Mr. Vierck reviewed the conferences EDC has attended or hosted to market the Energyplex brand and promote "Fly Hobbs". Mr. Smith stated the EDC is requesting funds in the amount of \$357,000.00 as follows: \$200,000.00 for professional services; \$50,000.00 for special projects; and \$107,000 to assist in marketing the "Fly Hobbs" airline service.

- Hobbs Chamber of Commerce

Ms. Patty Collins, Executive Director of the Hobbs Chamber of Commerce (HCC), reviewed the events the HCC will be hosting for FY19 and discussed the welcome packets distributed by the HCC. Ms. Collins stated the HCC is requesting funds in the amount of \$47,500.00 as follows: \$17,500.00 for Hobbs Jobs and \$30,000.00 for welcome services.

- Hobbs Hispano Chamber of Commerce

Mr. Saul Villareal of the Hobbs Hispano Chamber of Commerce (HHCC) presented a PowerPoint presentation to the Commission. He reviewed the events HHCC will be



hosting for FY19. He also briefly discussed the partnership between HHCC and various groups throughout the community, all of which help promote the quality of life in Hobbs. Mr. Villareal stated the HHCC is requesting funds in the amount of \$64,000.00 for operations.

- New Mexico National Black Chamber of Commerce

Ms. Helen Houston, President of the New Mexico National Black Chamber of Commerce (NMBCC), reviewed the activities of the NMBCC and events which are proposed for FY19, including a YouTube video of an entertainer who has been invited to perform in Hobbs. Ms. Houston stated the NMBCC is requesting funds in the amount of \$45,000.00 for operations. She stated NMBCC is not requesting funds on behalf of the Juneteenth Celebration, and Ms. Cathy Marshall will make a presentation on behalf of the Juneteenth Committee.

Ms. Cathy Marshall, representing the Juneteenth Committee, briefly outlined the Juneteenth Celebration for FY 19. She stated the Juneteenth Committee is requesting \$25,000.00 for operations.

City Park Update.

Mr. Doug McDaniel, Parks and Recreation Director, and Meghan Mooney, Communications Director, presented an update to the Commission on the progress of the reconstruction of City Park. During the PowerPoint presentation and drone flyover, they gave a brief overview of the current schedule of completion and presented pictures of the project to date.

New Mexico Commission for Community Volunteerism (NMCCV) - Americorps Listening Session.

Mayor Cobb stated New Mexico Commission for Community Volunteerism (NMCCV) - Americorps Listening Session will be held May 24, 2018, from 4:00 p.m. to 6:00 p.m. at the City of Hobbs Annex Building. He stated NMCCV would like to hear about the needs and challenges facing Hobbs and Lea County residents and how it can work for local agencies and communities. Mayor Cobb encouraged everyone to attend the event.

Action Items

Resolution No. 6664 - Authorizing Budget Adjustment #5 for FY 17-18.

Mr. Toby Spears, Finance Director, presented Budgetary Adjustment No. 5 for FY 17-18 to the Commission. He stated the total expenditures increased by \$831,002.61 and total revenues increased by \$136,470.00. Mr. Spears stated the cash transfers between the

General Fund and Special Revenue Fund total \$471,957.17. He stated the adjustment also includes a total increase of 10 FTE for FY18 with the addition of seven full time janitorial positions for CORE and the reclassification of six CORE pool managers from part time to full time. Also included for consideration is a proposed increase of 5% for police officers for all positions up to Lieutenant. Mr. Spears stated the general fund reserve balance remains at 35%.

Commissioner Calderón moved to approve Resolution No. 6664 as presented. Commissioner Penick seconded the motion and the vote was recorded as follows: Newman yes, Mills yes, Taylor yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and supporting documentation are attached and made a part of these minutes.

Resolution No. 6665 - Authorizing Approval of the FY 18-19 Preliminary Budget.

Mr. Spears presented the FY 18-19 Preliminary Budget to the Commission. He stated this proposed preliminary budget is due for submission to the New Mexico Department of Finance Authority (DFA) by June 1<sup>st</sup>. Mr. Spears stated the preliminary budget includes \$58,152,621.01 in proposed General Fund expenditures and \$104,914,262.57 in proposed expenditures for all funds. He stated revenues in the General Fund are projected at \$54,183,781.15 and total revenue projections for all funds are set at \$96,279,284.62. Mr. Spears stated the preliminary budget includes a 2% cost of living adjustment (COLA) and a 0-3% performance based merit increase for City employees. He stated the General Fund reserve is set at 31% with a preliminary ending cash balance for all funds of \$40,594,473.93.

Commissioner Calderón moved to approve Resolution No. 6665 as presented. Commissioner Taylor seconded the motion and the vote was recorded as follows: Newman yes, Mills yes, Taylor yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and supporting documentation are attached and made a part of these minutes.

Resolution No. 6666 - Authorizing a Multiple Services Agreement with the Lea County Board of County Commissioners for FY 18-19

Mr. Mike Stone, City Attorney, presented the FY 18-19 Multiple Services Agreement with the Lea County Board of County Commissioners to the Commission. He stated the County compensates the City for its services provided to County residents which includes Fire, EMS, Library, Senior Center and any other services made available to them. Mr. Stone stated the agreement also include services for addressing, permitting, inspecting and certifying for occupancy any new structures proposed to be constructed within the extra-territorial jurisdiction and animal services at the Hobbs Animal Adoption

Center. He stated the compensation from Lea County has increased from \$500,000.00 to a new amount of \$625,000.00.

Mayor Cobb thanked everyone for applauded the Lea County Board of County Commissioners for acknowledging the growth of services provided to the County.

Commissioner Penick moved to approve Resolution No. 6666 as presented. Commissioner Gerth seconded the motion and the vote was recorded as follows: Newman yes, Mills yes, Taylor yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and supporting documentation are attached and made a part of these minutes.

Consideration of Approval of a Work Order to Ramirez & Sons Construction in the Total Estimated Cost of \$180,756.44 for the Reconstruction of Dunnam/Turner Parking Lot

Ms. Shelia Baker, General Services Director, presented a work order to Ramirez & Sons Construction in the total estimated cost of \$180,756.44 for the reconstruction of the Dunnam/Turner Parking Lot. She stated the parking lot was deeded to the City in 2015 from MainStreet Hobbs. Ms. Baker stated the deed requires the property to continue as a public parking plaza and, if it fails to do so, the property may revert back to Young Investments, the original owner of the parking lot.

In answer to Commissioner Newman's question, Ms. Baker stated the City received \$115,000.00 from the sale of the building. She added that lighting will be provided by the City which has been recycled from another project.

Commissioner Newman moved to approve the work order to Ramirez & Sons Construction for the reconstruction of the Dunnam/Turner Parking Lot in the total estimated cost of \$180,756.44. Commissioner Mills seconded the motion and the vote was recorded as follows: Newman yes, Mills yes, Taylor yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. Copies of the supporting documentation are attached and made a part of these minutes.

Resolution No. 6667 - Adopting Police Recruitment and Retention Incentives.

Mayor Cobb stated the City Commission held a work session prior to this meeting and discussed the topic of police recruitment and retention incentives at length.

Police Chief Chris McCall stated the Hobbs Police Department (HPD) is trying to impact the recruitment of new officers, as well as retention of current staff. He stated the incentives will hopefully help attract new applicants and simultaneously support the current team members. Chief McCall stated the following incentives are being proposed:

1. Recruitment Incentive of \$1,500.00 which is an opportunity for existing City employees to be compensated for recruiting a police officer that successfully completes all training requirements (academy/field training).
2. Six year/\$30,000.00 recruiting incentive. This incentive is designed to compensate a newly-hired police officer who completes each year of service at a rate of \$5,000 per year for six years.
3. 20 year Law Enforcement Protection Fund (LEPF) match pay. This would enable the City of Hobbs to leverage funding allocated through the LEPF by the NM Legislature to incentivize officers with 20 or more years of service to remain employed. LEPF funds the incentive at \$7,500.00 and requires a matching City portion of \$7,500.00 for a total \$15,000 yearly incentive. Per state statute, this program will expire on June 20, 2021.

Chief McCall stated an amendment to the Hobbs Police Union contract authorizing a 5% increase for officers will be submitted to the Commission for consideration. He stated the current contract expires in 2019.

Acting City Manager/Fire Chief Gomez stated attracting applicants is a complex process which takes a creative and comprehensive approach.

Following a lengthy discussion regarding past incentives and the pros/cons of the current proposal, Commissioner Calderón moved to approve Resolution No. 6667 as presented. Commissioner Taylor seconded the motion and the vote was recorded as follows: Newman no, Mills yes, Taylor yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and supporting documentation are attached and made a part of these minutes.

#### **Comments by City Commissioners, City Manager**

Mayor Cobb stated the next Commission meeting will be held on Monday, June 4, 2018.

Acting City Manager/Fire Chief Gomez announced that Mr. Britt Lusk, Administrative Services Director, has accepted a job as the City Manager in Tucumcari, New Mexico, and his last day with the City will be May 31, 2018. He recognized Mrs. Yvonne Lusk in the audience, wife of Britt Lusk.

Acting City Manager/Fire Chief Gomez stated the Grand Opening for the CORE is Saturday, June 2, 2018, and the public is invited to attend.

Commissioner Gerth thanked Ms. Wanda Bell and Ms. Cathy Marshall for the outstanding job they do in the community.

Commissioner Mills stated he has been going door to door talking with constituents and their main concerns are the speeding in District 2 and the water rationing program. He stated he will be working with citizens to come up with a solution.

Commissioner Taylor stated the City Park Project is looking great, and she is looking forward to the grand opening when it is complete.

Commissioner Taylor stated District 3 is experiencing issues with ATVs in the roadway. Chief McCall stated police officers have given citations in the last couple of weeks to people riding ATVs in the roadway.

Commissioner Penick thanked all three Chambers for working together and stated he is very impressed with the camaraderie among the agencies.

**Adjournment**

There being no further discussion or business, Commissioner Newman moved that the meeting adjourn. Commissioner Calderón seconded the motion the vote was recorded as follows: Newman yes, Mills yes, Taylor yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. The motion carried. The meeting adjourned at 8:10 p.m.

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SAM D. COBB, Mayor

ATTEST:

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JAN FLETCHER, City Clerk

Minutes of the work session of the Hobbs City Commission held on Monday, May 21, 2018, at 5:00 p.m. in the City Commission Chamber at City Hall, 200 East Broadway, Hobbs, New Mexico.

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

Mayor Sam D. Cobb  
Commissioner Marshall Newman  
Commissioner Christopher Mills (*Arrived at 5:10 p.m.*)  
Commissioner Pat Taylor (*Arrived at 5:05 p.m.*)  
Commissioner Joseph D. Calderón  
Commissioner Dwanye Penick (*Arrived at 5:40 p.m.*)  
Commissioner Don Gerth

Also present were Acting City Manager/Fire Chief Manny Gomez, Mr. Mike Stone, City Attorney, Ms. Jan Fletcher, City Clerk and Ms. Mollie Maldonado, Deputy Clerk. Other staff members and public were also present.

Acting City Manager/Fire Manny Gomez stated there was an accident on New Mexico State Highway 529 with injuries. He requested prayers for those injured.

#### **Hobbs Police Department - Recruitment and Retention Plan**

Police Chief Chris McCall stated the Hobbs Police Department (HPD) has vacancies spread throughout the department. He stated law enforcement agencies throughout the country are experiencing difficulty in the recruitment and retention of police officers. Hobbs is faced with those same issues and is also competing with a strong demand for workers with the improving local economy. Chief McCall stated HPD is working to create a comprehensive program to help keep the department competitive and to retain current staff. He stated there are currently positions open for seven officers and one sergeant. He added the ultimate goal is to recruit 25 officers within the next 18 months. Chief McCall reviewed the components of the proposed plan for a recruitment incentive of \$1,500 for recruiting a police officer that successfully completes all training requirements; a six-year recruitment incentive designed to compensate a newly hired police officer at a rate of \$5,000 per year for six years; and a \$15,000 incentive allocated through the LEPF fund to incentivize officers with 20 or more years of service to remain employed.

#### **Proposed Lea County Coordinated Legislative Coalition (LCCLC)**

Acting City Manager/Fire Chief Gomez explained the proposed Lea County Coordinated Legislative Coalition (LCCLC) and stated the City would like to solicit members from the community, the schools and municipalities throughout Lea County in order to work together to create community solutions and partnerships.

He stated the LCCLC will discuss capital needs as well as policy issues. Acting City Manager/Fire Chief Gomez reviewed the timelines and stated the City Commission will need to adopt a resolution in order to create the LCCLC.

**Hiring Update**

Mr. Nicholas Goulet, Human Resources Director, presented a PowerPoint presentation to update the Commission on the current overall hiring statistics from the Human Resources Department (HR). He gave an overview of the role of the HR Department staff in the hiring process. He reviewed the current recruitments that are in progress at the City as well as the CORE hiring process. Mr. Goulet reviewed the methods used by the City for advertising its vacancies. He also explained that partnering with other agencies helps the City promote its jobs while promoting the community as a whole. Mr. Goulet stated the electronic application system has been very helpful. He stated while comprehensive studies assist the City of Hobbs in being a competitive employer, the City is not alone in its search for employees. With 68 jobs listed in Sunday's paper, many companies are searching for employees in a very competitive oilfield market.

There being no further discussion, the work session adjourned at 6:00 p.m.

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SAM D. COBB, Mayor

ATTEST:

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JAN FLETCHER, City Clerk



# **CONSENT AGENDA**





CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 4, 2018

SUBJECT: AWARD BID No 1571-18 TO FURNISH AND INSTALL AIR CONDITIONER FILTERS IN ALL CITY BUILDINGS AND THE CORE

DEPT. OF ORIGIN: General Services
DATE SUBMITTED: 5-29-18
SUBMITTED BY: Shelia Baker, General Services Director

Summary:

Bids were opened at 3:00 PM on Thursday, May 24, 2018 for the Air Conditioner Filter Replacements for the City of Hobbs. The contract consists of purchasing and replacing filters for thirty-three City owned buildings/facilities. The filters are to be replaced at either quarterly or six-week intervals, as listed in the bid.

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

Table with 2 columns: Company, Total Bid Price. Rows include Jim's Electrical Heat & Air, Gary's Heating & Air Conditioning, and A.G. Custom Sheet Metal, Inc.

Gary's Heating & Air Conditioning is the lowest responsible bidder. In accordance with the above narrative, it is the recommendation of the General Services Department that the bid for janitorial services be awarded to Gary's Heating & Air Conditioning, as low bidder in the amount of \$60,200.00 (not including GRT).

Fiscal Impact:

Reviewed By: [Signature]
Finance Department

Table with 2 columns: Category, Amount. Rows include Contract Amount, NMGRT, Estimated Total Cost, and FY 19 Budget.

The FY 19 budget is for all City of Hobbs HVAC Maintenance, which did not take into consideration the CORE filter replacements, and will require a budget adjustment to increase the budget during the final preliminary budget adjustment.

Attachments: Bid Summary

Legal Review:

Approved As To Form: [Signature]
City Attorney

Recommendation: Award Bid No. 1571-18 To Furnish and Install Air Conditioner Filters in All City Buildings and the CORE to Gary's Heating & Air Conditioning

Approved For Submittal By:

[Signature] Shelia Baker
Department Director
[Signature]
City Manager

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COMMISSION ACTION TAKEN

Resolution No.
Ordinance No.
Approved
Other

Continued To:
Referred To:
Denied:
File No.

## Bid Summary

BID/PROPOSAL NO. 1571-18

FURNISH A/C Filter Replacement

Bidder	<u>Tim's Electrical</u>	<u>Sary's Heating &amp; A/C</u>	<u>AG Custom Sheet Metal</u>	
NM Contractors License No.				
Bid Bond				
Addendum(s)	✓	✓	✓	
Bid Form	✓	✓	✓	
List of Subcontractors				
Resident Bidders Pref No.	✓	✓	✓	
Veterans Preference	✓	✓	✓	
Campaign Cont. Dis. Form	✓	✓	✓	
Non-Collusion Affidavit	✓	✓	✓	
Related Party Disclosure Form	✓	✓	✓	
Non-Debarment Cert	✓	✓	✓	
Alternate 1				
Alternate 2				
Alternate 3				
Alternate 4				
TOTAL	<u>72,265<sup>40</sup></u>	<u>60,900<sup>00</sup></u>	<u>22,109<sup>12</sup></u> <u>112,923<sup>40</sup></u>	



**CITY OF HOBBS**  
COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 4, 2018

SUBJECT: Resolution Approving the Involvement of City of Hobbs with the Lea County Coordinated Legislative Committee.  
DEPT. OF ORIGIN: City Manager  
DATE SUBMITTED: May 29, 2018  
SUBMITTED BY: Manny Gomez, Acting City Manager

Summary:

Lea County Coordinated Legislative Committee (NKA) Lea County Legislative Coalition, LCLC is a partnership between all governmental entities in Lea County. Purpose is to coordinate and advocate for Capital and Operating funding throughout Lea County. The coalition will provide a forum to discuss fiscal issues to prevent duplication of requests/services. Lea County has agreed to be responsible for any and all applicable Open Meetings Act requirements.

Fiscal Impact:

Little to No fiscal impact associated with this Resolution.

Reviewed By: 

Finance Department

Attachments:

Resolution

Legal Review:

Approved As To Form: 

City Attorney

Recommendation:

Approve the Resolution

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. \_\_\_\_\_

RESOLUTION NO. 6668

A RESOLUTION OF COOPERATION BETWEEN THE TOWN OF TATUM, CITY OF LOVINGTON, CITY OF HOBBS, CITY OF EUNICE, CITY OF JAL, TATUM SCHOOL DISTRICT, LOVINGTON SCHOOL DISTRICT, HOBBS MUNICIPAL SCHOOLS, EUNICE SCHOOL DISTRICT, JAL SCHOOL DISTRICT, NEW MEXICO JUNIOR COLLEGE, LEA COUNTY AND THE ECONOMIC DEVELOPMENT CORPORATION OF LEA COUNTY REGARDING DEVELOPING  
A LEA COUNTY LEGISLATIVE COALITION

WHEREAS, the Town of Tatum, City of Lovington, City of Hobbs, City of Eunice, City of Jal, Tatum School District, Lovington School District, Hobbs Municipal Schools, Eunice School District, Jal School District, New Mexico Junior College, Lea County and The Economic Development Corporation of Lea County have discussed forming a legislative coalition called the Lea County Legislative Coalition, to focus in a cooperative, coordinated and organized manner on issues that are of mutual concern; and

WHEREAS, the Lea County Legislative Coalition would additionally: (i) provide a forum for its members to advocate for each other; (ii) provide a mechanism for grant funding proposals; and (iii) to solicit ideas and input from the private sector; and

WHEREAS, a legislative coalition can be more fiscally responsible, less duplicative in advocacy, and will serve a greater number of Lea County residents through cooperation of the various entities;

WHEREAS, City of Hobbs is committed to working with the various entities to plan and develop this legislative coalition that will benefit City of Hobbs residents and Lea County residents; and

WHEREAS, City of Hobbs desires to enter into this Resolution of Cooperation; and

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE City of Hobbs, that the City of Hobbs shall cooperate with the various entities making up

the Lea County Legislative Coalition regarding the planning and development of this legislative coalition. The Mayor of the City of Hobbs be and hereby is authorized and directed to sign and effectuate this Resolution and the City of Hobbs is directed to move forward with the Lea County Legislative Coalition. Further, the Statement of Cooperation, attached hereto as Exhibit "A", is hereby adopted.

PASSED, ADOPTED AND APPROVED this 4<sup>th</sup> day of June, 2018.

\_\_\_\_\_  
SAM D. COBB, Mayor

ATTEST:

\_\_\_\_\_  
JAN FLETCHER, City Clerk

EXHIBIT "A"

**STATEMENT OF COOPERATION**

WE THE UNDERSIGNED acknowledge that our respective entity has adopted a Resolution of Cooperation Between Town of Tatum, City of Lovington, City of Hobbs, City of Eunice, City of Jal, Tatum School District, Lovington School District, Hobbs Municipal Schools, Eunice School District, Jal School District, New Mexico Junior College, Lea County and The Economic Development Corporation of Lea County Regarding Planning and Developing a Lea County Legislative Coalition and by our signatures hereto declare our commitment of participating in such Lea County Legislative Coalition.

PASSED, ADOPTED AND APPROVED this 4<sup>th</sup> day of June, 2018.

\_\_\_\_\_  
SAM D. COBB, Mayor

ATTEST:

\_\_\_\_\_  
JAN FLETCHER, City Clerk



# **ACTION ITEMS**



**CITY OF HOBBS**  
COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 4, 2018

SUBJECT: RFP 501-18; Municipal Corrosion & Odor Control Services  
DEPT. OF ORIGIN: Utilities  
DATE SUBMITTED: May 17, 2018  
SUBMITTED BY: Tim Woomer, Utilities Director

Summary: A request for proposals (RFP) to furnish municipal corrosion and odor control services advertised March 18, 2018. This proposal is for performing specialized testing, providing bulk chemical(s), including storage and pumping systems, that will effectively control the formation of hydrogen sulfide (H<sub>2</sub>S) within the sanitary sewer system.

A total of four proposals were sent out, with two responses received. An evaluation team has reviewed the proposals based on the criterion listed in the RFP, with Evoqua Water Technologies, LLC of Sarasota, FL. having rated the highest.

Fiscal Impact: \$182,000.00 (NMGRT included)

Reviewed By:

  
Finance Department


Chemical costs are projected at \$0.34/1000 gallons of sewage treated. Testing services, and a single 5,000 gallon bulk storage tank and pumping system, are provided. Chemicals for odor control are a monthly operating expense and are budgeted at \$182,000 under Fund 634370-42337 for FY 2018-19. The average monthly expenditure for odor control is projected at \$13,333.00.

Attachments:

RFP 501-18; Evaluation Worksheet; Agreement to Furnish Municipal Corrosion and Odor Control Services.

Legal Review:

Approved As To Form:

  
City Attorney

Recommendation:

Award RFP 501-18 and enter into an agreement with Evoqua Water Technologies to provide services and materials as proposed.

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. \_\_\_\_\_



**REQUEST FOR PROPOSAL NUMBER 501-18**  
**Municipal Corrosion and Odor Control**

**OVERALL EVALUATION WORKSHEET**

Criteria	Wt. Factor	Evoqua	Biocope
<b>1. Response to Project</b> Offeror's ability to provide specialized products and services for corrosion and odor control of sanitary sewer collection systems. Proposed chemicals effectiveness in reducing hydrogen sulfide generation and emissions. Ability to perform testing for determination of product effectiveness, and dosage applications.	30	28.3	22.7
<b>2. Record of Performance</b> Past record off performance by Offeror and the proposed chemical effectiveness based upon accurate data and user contact.	30	26.7	26.7
<b>3. Chemical and Delivery System Specifications</b> Proposed chemical(s), containment vessels and delivery systems design, reliability and response to repairs by Offeror.	20	20.0	15.7
<b>4. Cost</b> Projected annual costs to the City of Hobbs based upon \$/1000 gallons treated. Assume an annual flow of 335,800, 000 gallons.	20	17.0	19.3
<b>5. NM Resident/Veteran Preference</b>	10	0.0	0.0
<b><u>TOTAL SCORE</u></b>	<b>110</b>	<b>92.0</b>	<b>84.3</b>

Evaluation Committee:

Deborah Corral, Asst. Finance Director; Sheila Baker, General Services Director, Bill Griffin, WWRF Supt.



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 4, 2018

SUBJECT: Purchase of 2016 Smeal Rescue Pumper

DEPT. OF ORIGIN: Fire Department
DATE SUBMITTED: May 25, 2018
SUBMITTED BY: Barry Young, Deputy Fire Chief

Summary:

The Hobbs Fire Department wishes to purchase a 2016 Smeal Rescue Pumper utilizing an HGAC contract. The purchase of this apparatus would replace a 1997 Pierce Pumper, which is currently out of service due to mechanical issues. Along with the mechanical issues, the 1997 apparatus has met the NFPA recommendation of 15 years of a front line apparatus and 5 years as a reserve apparatus.

The 2016 Smeal Rescue Pumper is a demo apparatus and can be delivered to the City of Hobbs in a 3-4 week period. The specifications have been reviewed by a committee, and meet or exceed the standards of the Hobbs Fire Department. This apparatus will be placed as a front line apparatus, allowing the department to move an aging unit into reserve status. With the 1997 Pierce pumper being out of service, we currently do not have a reserve apparatus in place.

Fiscal Impact:

Reviewed By: [Signature]
Finance Department

The total cost of the 2016 Smeal Rescue Pumper is \$480,000, which includes delivery to Hobbs, NM. The funding for this purchase will come from the Fire Protection Fund; there will be no impact to the general fund with this purchase. A budget adjustment was recently approved, which included identifying the funding necessary to complete the purchase of the apparatus in this fiscal year.

Attachments:

- 1. Resolution
2. Truck Drawing and picture

Legal Review:

Approved As To Form: [Signature]
City Attorney

Recommendation:

Approval of the purchase of a 2016 Smeal Rescue Pumper utilizing funding from the Fire Protection Fund.

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. 6669

A RESOLUTION AUTHORIZING THE PURCHASE  
OF 2016 SMEAL RESCUE PUMPER

WHEREAS, the City of Hobbs Fire Department wishes to purchase a 2016 Smeal Rescue Pumper utilizing an HGAC contract; and

WHEREAS, the Smeal Rescue Pumper is a demo apparatus and can be delivered to the City of Hobbs in a 3-4 week period; and

WHEREAS, the total cost of the 2016 Smeal Rescue Pumper is \$480,000.00, which includes delivery; and

WHEREAS, the funding for this purchase will come from the Fire Protection Fund and there will be no impact to the general fund; and

WHEREAS, a budget adjustment was recently approved to complete the purchase of the apparatus in this fiscal year;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the Mayor be and hereby is, authorized and directed to effectuate this Resolution authorizing the purchase of a 2016 Smeal Rescue Pumper

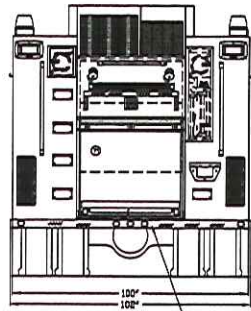
PASSED, ADOPTED AND APPROVED this 4<sup>th</sup> day of June, 2018.

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SAM D. COBB, Mayor

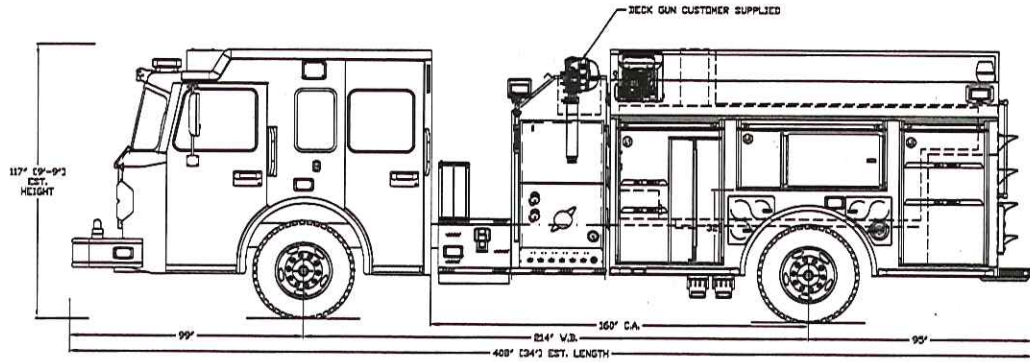
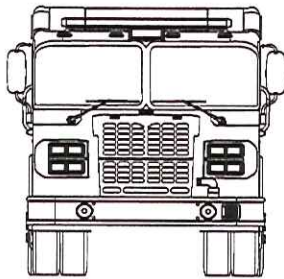
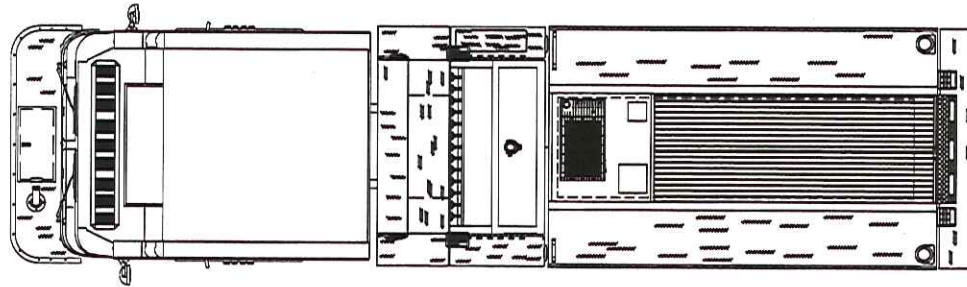
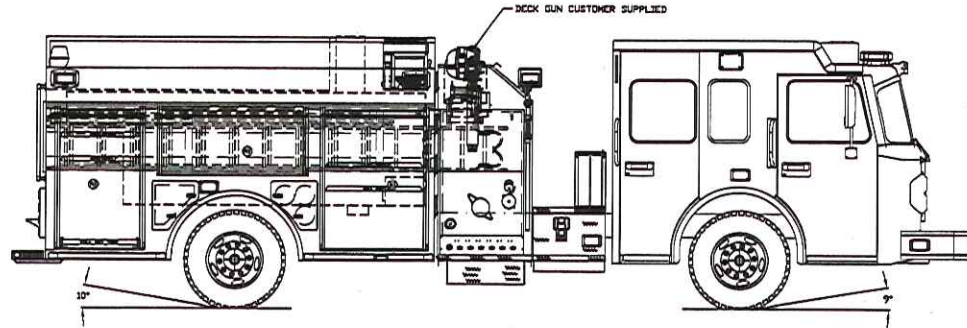
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JAN FLETCHER, City Clerk



STEP ADJUSTED TO MEET NFPA STEPPING HEIGHT

COMP.	OPENING	LENGTH	DEPTH	WIDTH
L1	43W X 56.5H	25.75	25.75	
L2	51W X 24H	25.75	N/A	
L3	35V X 56.5H	25.75	25.75	
R1	43W X 56.5H	14.25	25.75	
R2	51W X 24H	14.25	N/A	
R3	35V X 56.5H	14.25	25.75	
T1	43W X 37H	27	27	
INTERMEDIATE DIVIDE HEIGHT				
	R1/R3	26.5		
GROUND LADDERS & PIKE POLES				
ITEM	LADDER LENGTH	MODEL	QTY	
A	24' 2"-SEC	PEL-24	1	
B	16' ROOF	PEL-16	1	
C	10' ATTIC	FL-10	1	
D	PIKE POLES	-	2	
E				
F				
G				
H				
I				



FOR REFERENCE PURPOSES ONLY

PUMP: WATERLOO CSUC20 1500 GPM  
 TANK: POLY 1000 USG  
 FDAM: 25 USG CELL (FUTURE USE)  
 BODY: STAINLESS  
 HOSE: 300' 65 CUbic FEET  
 COMPARTMENTS: 230 CUbic FEET  
 CHASSIS: SPARTAN METRO STAR MPD

**SHOP ORDER**

Approval Signatures \_\_\_\_\_ Date \_\_\_\_\_

CUSTOMER \_\_\_\_\_

SALES \_\_\_\_\_

PRODUCTION \_\_\_\_\_

ENGINEERING \_\_\_\_\_



Revisions

1

2

3

4

5

SMEAL FIRE APPARATUS

SNYDER, NE 68664

R&R FIRE TRUCK REPAIR INC.

NORTHVILLE, MI

Order No. **STUMPE** Order Date **3/8/17**

Order No. **9/9/15** Drawing No. **S4571**

11 x 17

SD

S4571



FIRE RESCUE

linger

Service Inc.  
& Rescue Squad  
Service

312



**CONTRACT PRICING WORKSHEET**  
For MOTOR VEHICLES Only

Contract No.:

FS12-17

Date Prepared:

5/30/2018

*This Worksheet is prepared by Contractor and given to End User. If a PO is issued, both documents **MUST** be faxed to H-GAC @ 713-993-4548. Therefore please type or print legibly.*

Buying Agency:	Hobbs Fire Department ILC04-1456	Contractor:	Smeal Holding, LLC.
Contact Person:	Manuel Gomez	Prepared By:	Glen Williams
Phone:	575-397-9308	Phone:	575-762-2594
Fax:	575-397-9331	Fax:	575-762-1464
Email:	<a href="mailto:mgomez@hobbsnm.org">mgomez@hobbsnm.org</a>	Email:	<a href="mailto:glen@aaafirenm.com">glen@aaafirenm.com</a>

Product Code:	ZCO3	Description:	Pumper, Midship, 1250 GPM, Custom Series, AL Body, SP Chassis, Single Axle, Tilt Cab
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**A. Product Item Base Unit Price Per Contractor's H-GAC Contract:** \$395,980

**B. Published Options - Itemize below - Attach additional sheet(s) if necessary - Include Option Code in description if applicable. (Note: Published Options are options which were submitted and priced in Contractor's bid.)**

Description	Cost	Description	Cost
32 - Upgrade Engine to 450 HP	\$9,900	267 - 1500 GPM Pump IPO 1250 Midship	\$6,677
62 - Upgrade Rear Tires, Suspension to 27,000 #	\$5,762	277 - Change Primer to Trident Air Primer	\$895
72- Change front wheels to aluminum	\$802	278 - Pump Module Heat Pan	\$755
73 - Change rear wheels to aluminum (per axle) (10	\$1,756	279 - Pump Compartment Heater	\$1,329
76 - Hub and Lug Nut Covers - Single	\$340	281 - Walkway Tool Compartments	\$2,875
91 - Extend Front Bumper to 21"	\$2,132	282 - Running Board Hosewell	\$500
110 - Manual Cab Tilt Pump	\$398	292 - Dunnage Area Above Pump Compartment	\$1,736
202 - Back Up Camera System	\$1,200	303 - Foam System That Flows 2-5 GPM of Concentrate	\$14,100
203 - Add Side Camera to Back-Up Camera System	\$400	343 - Front Bumper Discharge	\$3,086
207 - Weatherband Radio	\$975	349 - Manula Deck Gun Extend-a-Gun	\$3,457
208 - Cab Antennae Base	\$375	Total Page 1 Published Options	\$65,424
210 WI-FI Hotspot	\$2,095	<b>Subtotal B:</b>	\$126,969

**C. Unpublished Options - Itemize below / attach additional sheet(s) if necessary. (Note: Unpublished options are items which were not submitted and priced in Contractor's bid.)**

Description	Cost	Description	Cost
Fire Hose 5" x 50'	\$358		
Fire Hose 5" x 25'	\$248		
		Total Page 1 Un-Published Options	\$0
		<b>Subtotal C:</b>	\$606

**Check:** Total cost of Unpublished Options (C) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A+B). For this transaction the percentage is: 0%

**D. Total Cost Before Any Applicable Trade-In / Other Allowances / Discounts (A+B+C)**

Quantity Ordered:	1	X Subtotal of A + B + C:	\$523,555	=	<b>Subtotal D:</b>	\$523,555
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**E. H-GAC Order Processing Charge (Amount Per Current Policy)** **Subtotal E:** \$2,000

**F. Trade-Ins / Other Allowances / Special Discounts / Freight / Installation**

Description	Cost	Description	Cost
Demo Discount	-\$50,603		
		<b>Subtotal F:</b>	-\$50,603

**Delivery Date:** 7/1/2018 **G. Total Purchase Price (D+E+F):** \$474,952









**CITY OF HOBBS**  
COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 4th, 2018

SUBJECT: Inter-Governmental Agreement with the State of New Mexico Motor Vehicle Division and the City of Hobbs.  
DEPT. OF ORIGIN: Finance  
DATE SUBMITTED: May 29th, 2018  
SUBMITTED BY: Toby Spears, Finance Director

**Summary:**

The City of Hobbs works as an agent for the Taxation Revenue Department – State Motor Vehicle Division.

The proposed contract with the State of New Mexico - Motor Vehicle Division is from the current date until December 31, 2022.

**Fiscal Impact:**

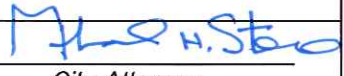
Reviewed By:   
Finance Department

The City of Hobbs works as an agent for the Taxation and Revenue Department – State Motor Vehicle Division. The total trust collection for the State of NM is approximately \$4,250,000. The expenditure operational budget for the DMV local department is approximately \$576,580 with local revenue offset of approximately \$537,000

**Attachments:**


Resolution  
Contract Agreement

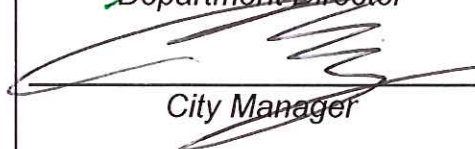
**Legal Review:**

Approved As To Form:   
City Attorney

**Recommendation:** Motion to approve Resolution No. \_\_\_\_\_.

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. 6670

A RESOLUTION AUTHORIZING AN INTER-GOVERNMENTAL  
AGREEMENT BETWEEN THE CITY OF HOBBS AND THE  
STATE OF NEW MEXICO MOTOR VEHICLE DIVISION

WHEREAS, the City of Hobbs works as an agent for the State of New Mexico Taxation and Revenue Department Motor Vehicle Division, to perform certain services on behalf of the Motor Vehicle Division; and

WHEREAS, the existing agreement recently expired and a new Inter-Governmental Agreement has been issued by the State of New Mexico for a new contract through December 31, 2022.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the Mayor be and hereby is authorized and directed to approve the Inter-Governmental Agreement with the State of New Mexico Taxation and Revenue Department.

PASSED, ADOPTED AND APPROVED this 4<sup>th</sup> day of June, 2018.

\_\_\_\_\_  
SAM D. COBB, Mayor

ATTEST:

\_\_\_\_\_  
JAN FLETCHER, City Clerk



**STATE OF NEW MEXICO  
TAXATION & REVENUE DEPARTMENT**

**INTER-GOVERNMENTAL AGREEMENT BETWEEN:  
THE MOTOR VEHICLE DIVISION  
AND  
THE CITY OF HOBBS**

**THIS INTER-GOVERNMENTAL AGREEMENT** is made and entered into pursuant to the provisions of Section 66-2-14, NMSA 1978 by and between the State of New Mexico, Taxation and Revenue Department (hereinafter "TRD"), Motor Vehicle Division hereinafter ("MVD") and the **City of Hobbs** (hereinafter "Provider").

**PURPOSE:** For affecting the economy in carrying out the functions of MVD and providing necessary services to the citizens of the State of New Mexico. Section 66-2-14, NMSA 1978 authorizes the TRD secretary to appoint agents to act on behalf of MVD to perform certain functions of MVD. Under this authority, MVD hereby appoints the Provider to perform certain services on behalf of MVD, and the Provider accepts this appointment, subject to the provisions of this Agreement.

**1. DEFINITIONS: The following terms, phrases and acronyms, as used in this Agreement, are defined.**

- 1.1 **Business Day:** means 8:00 a.m. to 5:00 p.m. any weekday excluding any holiday when MVD is closed.
- 1.2 **Confidential Information:** means personal information obtained by MVD or the Provider regarding a person's motor vehicle information pursuant to the Motor Vehicle Code that may not be released pursuant to Section 66-2-7.1, NMSA 1978, or the DPPA.
- 1.3 **Data:** means any type of motor vehicle information required by State or Federal statute to be obtained by MVD and maintained in the MVD database.
- 1.4 **Department:** The New Mexico Taxation and Revenue Department.
- 1.5 **DPPA:** The Driver's Privacy Protection Act of 1994, defined in Title 18 U.S.C. Chapter 123: Prohibition on Release and Use of Certain Personal Information from State Motor Vehicle Records §§2721-2725.
- 1.6 **Fee:** means the form of compensation charged by MVD or the Provider for services subject to the jurisdiction of the commission for various MVD transactions performed for the customer.
- 1.7 **HIN Inspection:** means the physical verification of the Hull Identification Number affixed to a vessel.



- 1.8 **Mandatory:** means the terms “must,” “shall,” “will,” “is required,” or “are required,” to identify a mandatory item or factor within this agreement.
- 1.9 **Motor Vehicle Information:** means all information obtained and maintained pertaining to identification cards, driver licenses, permits, disabled placards, and motor vehicle or vessel title and registration.
- 1.10 **MVD:** Motor Vehicle Division of the New Mexico Taxation and Revenue Department.
- 1.11 **MVD Representative:** An employee identified by MVD, TFID, TRD, who is authorized by the MVD Director to supervise, delegate, inspect, audit, observe, or otherwise review the operations and records of Provider.
- 1.12 **Product(s):** Tangible items such as license plates, title documents, registration stickers, driver licenses, or permits that are delivered to a customer as a result of completing a transaction with the Provider.
- 1.13 **Records:** means an account, correspondence, memorandum, tape, disc, paper, book or transcribed information, or electronic data information, including the electronic hardware or software necessary to access the electronic data information in its document form, regarding the operation of a motor carrier or created in conjunction with the transaction of MVD business.
- 1.14 **Services:** means the act or process of an individual authorized by MVD to perform transactions or give information relating to a customer's vehicle, vessel, or driver transactions.
- 1.15 **Tapestry:** means the software system MVD uses to provide driver and vehicle services.
- 1.16 **TFID:** The Tax Fraud Investigation Division.
- 1.17 **Transaction:** means all operations completed at one time during a customer’s single visit to the Provider.
- 1.18 **TRD:** New Mexico Taxation and Revenue Department.
- 1.19 **User:** means an authorized Provider or a Provider employee who has access to MVD data, performs daily tasks related to MVD products or services, or has access to MVD forms, documents, equipment, or inventory.
- 1.20 **VIN Inspection:** An inspection performed by a certified VIN inspector to verify a Vehicle Identification Number (VIN), which is affixed to a motor vehicle and identifies that specific automobile from factory to destruction.

**2. THE PARTIES MUTUALLY AGREE THAT THE PROVIDER SHALL:**

- 2.1 Adhere to this Agreement with MVD and comply with all terms and conditions within the Agreement. The Provider is acting on the behalf of MVD and shall uphold the standards and quality of MVD’s policies, procedures, and excellence in customer service. The Provider is to review and sign the MVD Mission and Core Values in Appendix E.



2.2 MVD authorizes Provider to provide the following services, actions, or transactions delegated to the Provider under the provisions of Chapter 66, NMSA 1978, as amended or renumbered:

2.2.1 **Vehicle Services:** Register and title vehicles and/or vessels.

2.2.2 **Driver Services:** Accept applications for, administer required written and/or skills tests, and issue driver licenses, permits, disabled placards and identification cards.

2.2.3 **Financial Responsibilities:** The Provider shall collect all fees, taxes and other charges provided by law under Chapter 7, Articles 14, Article 14A, and Chapter 66, NMSA 1978, as amended or renumbered. The Provider shall remit fees, taxes, and charges to MVD, using an attestation of accuracy, no later than the close of the next business day following the transaction or revenue collection, in the manner established by MVD.

2.2.4 If the Provider has insufficient funds for all fees, taxes and other charges required to be submitted, there shall be a penalty of five percent (5%) of the amount due for each day the funds are late and:

2.2.4.1 If the Provider undercharges the customer, the Provider is responsible for timely remitting the correct amount to MVD.

2.2.4.2 If the Provider overcharges the customer, the Provider must remit to MVD the amount collected from the customer and the customer will need to file a claim for refund with MVD to be reimbursed the amount overcharged by the Provider.

2.2.4.3 The Provider may accept cash, personal checks, business checks, debit, or credit card payments from its customers. The Provider shall be liable for any check returned for insufficient funds or any other dishonor.

2.2.5 **VIN/HIN Inspections:** Certified inspectors, employed by the Provider, may perform vehicle and vessel inspections only at the Provider's location if they are bonded separately from the basic Provider bonding requirements. Certified law enforcement and department VIN/HIN inspectors may also perform VIN/HIN inspections at the Provider's location.

2.3 The Provider shall not discriminate based on origin, race, color, religion, disability, and sexual orientation. Provider shall accept documents in another language if English translation is provided as accepted by the policy of MVD. Federal laws prohibit discrimination based on a person's national origin. Laws prohibiting national origin discrimination make it illegal to discriminate because of a person's language, culture, birthplace, or ancestry. This means people cannot be denied equal opportunity because they or their family are from another country, because they have a name or accent associated with a national origin group, because they participate in certain customs associated with a national origin group, or because they are married to or associate with people of a certain national origin. All persons shall be entitled to the full and equal satisfaction of services, facilities, privileges, advantages, and accommodations



of any place of public accommodation, as defined in Title VII of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000, et seq., as amended.

- 2.4 The Provider shall provide utilities, office space, employees, and general office supplies to include fax machines, copiers and other items not specified herein necessary to provide services under this Agreement. Provider is responsible for all costs of providing and maintaining Provider's equipment, and connections, regardless of whether the cost is a one-time or recurring cost, except as may be further specified in this Agreement. All equipment and communications must meet the minimum standards established by MVD.
- 2.5 The Provider shall procure and maintain for the duration of this Agreement, at its own cost and expense, primary insurance coverage against claims for injuries to person or damages to property that may arise from or regarding activities undertaken by Provider, its agents, representatives, employees, or subcontractors. This insurance shall cover such claims as may be caused, in whole or in part, by any act, omission, or negligence of Provider or its officers, agents, representatives, employees or subcontractors.
- 2.6 The Provider and employees of the Provider who work on MVD matters are not employees of the State of New Mexico. Neither the Provider nor its employees shall represent that the Provider or Provider's employees are employed by or are a subdivision of MVD or the State of New Mexico.

**3. THE PARTIES MUTUALLY AGREE THAT MVD SHALL:**

- 3.1 MVD shall provide any special equipment required for Provider to perform its obligations under this Agreement. Such equipment shall be purchased and maintained by MVD at MVD's expense. Special equipment may include computers, license photo cameras, laminating machines, special forms printers, vision testing equipment, queuing machines or kiosks. Standard office printers, copiers, and fax machines are not included in MVD's provided equipment.
- 3.2 MVD will provide, maintain, and repair computers, printers, camera equipment, and network connectivity, including hardware and circuits necessary to perform driver and vehicle transactions. Provider agrees to use only MVD approved software for performing vehicle or driver transactions. Provider shall provide all necessary electrical and telephone equipment and all telecommunications connections including all installation, hook-up, line or other infrastructure charges as may be required to meet the specifications of MVD for access to its applications and data.
- 3.3 MVD shall make available to the Provider direct access to Tapestry. Access will be limited in scope to the information needs of the Provider's MVD related daily operations and business transactions. The information obtained through Tapestry shall be used exclusively for the services covered by this Agreement.
- 3.4 MVD shall provide all necessary official inventories of controlled products, equipment, and access to Tapestry. Tapestry access will be limited in scope to the information needs of the Provider's MVD related daily operations and business transactions that will enable the Provider to perform those actions or transactions specified by this Agreement.



- 3.5 MVD shall promptly advise the Provider of system/application downtime, whether scheduled or not, to the extent MVD has or obtains knowledge of such downtime.
- 3.6 MVD agrees to advise the Provider in advance of any scheduled system enhancements and/or software upgrades of which MVD is aware.
- 3.7 MVD shall provide initial system/application training, when the Provider's MVD office is opened or when new systems or applications are implemented, to the Provider and the Provider's employees. Initial system/application training costs shall be incurred by MVD.

#### **4. PROVIDER QUALIFICATIONS:**

- 4.1 No person shall be eligible to be a Provider, an employee of a Provider, or be able to continue in that capacity if the person has been convicted of any felony charge, or has been convicted of any crime involving administration of the Motor Vehicle Code, dishonesty or making a false statement within the previous ten (10) years.
- 4.2 Any governmental entity that has had a history of corruption or had operated an MVD office in the past, which was closed due to fraud, misappropriation, or similar prohibited activities, shall be permitted to operate as a provider only after a thorough evaluation by MVD of the governmental entity to include its officers and the employees to be assigned MVD duties. Final approval shall be coordinated between the TRD Cabinet Secretary, and the MVD Director.

#### **5. GENERAL RESPONSIBILITIES AND REQUIREMENTS OF THE PROVIDER:**

- 5.1 The Provider shall comply with all applicable federal, state and local laws, rules and regulations, and executive orders of the Governor of the State of New Mexico, in the operation of the business, including, but not limited to, the federal Americans with Disabilities Act of 1990, the New Mexico Human Rights Act, Sections 28-1-1, et seq., NMSA 1978, the federal Occupational Safety and Health Act of 1970, the New Mexico Occupational Safety and Health Act, Sections 50-9-1, et seq., NMSA 1978 and the federal Civil Rights Act of 1964. MVD shall provide information to the Provider regarding changes in MVD rules and regulations within ten (10) days of the adoption of such changes.
- 5.2 Provider must obtain/provide a Corporate Performance and Surety Bond for Loss, Fraud, Theft, Employee Dishonesty, and any act, omission or negligence of the Municipality, its officers, agents, representatives, employees or contractors as required by Appendix B and C.
- 5.3 The Provider is responsible for obtaining all MVD approved equipment and communication specifications, as listed on Appendix A "Mandatory Computer/Network Requirements" and Appendix D "Mandatory Computer/Network Security Requirements." The Provider agrees to use only MVD approved software for performing vehicle or driver transactions. The Provider shall provide all necessary electrical and telephone equipment and all telecommunications connections including all installation, hook-up, line or other infrastructure charges as may be required to meet the specifications of MVD for access to its applications and data. The Provider is responsible for all costs of providing and maintaining the Provider's equipment, and connections, regardless of whether the cost is a one-time or recurring cost. All equipment and communications must meet the standards established by MVD.



- 5.4 The Provider shall not develop any hardware, software, or programs that would allow the Provider to be a portal for other entities or persons to indirectly access Tapestry.
- 5.5 The Provider and its employees are prohibited from providing indirect access to Tapestry and from accessing or disseminating the information received from MVD for any other purpose unless allowed pursuant to Section 66-2-7.1, NMSA 1978 of the Motor Vehicle Code or the DPPA.
- 5.6 The Provider shall not sell, or transfer data obtained from MVD or on MVD's behalf to any third party unless authorized in writing by MVD.
- 5.7 The Provider shall maintain accurate records of all Providers' employees working on MVD matters. The roster shall contain the name, address, and date of birth, date of hire, social security number, date and results of the background investigation and work schedule of such employees. The records shall also contain the date that the Provider performed the background investigation pertaining to each member of the Provider's employees who works on MVD matters or has access to Motor Vehicle Information. The records shall be made available for MVD's review within twenty-four (24) hours after a written request from MVD. MVD may establish quality performance standards for the Provider.
- 5.8 MVD will keep the Provider advised of these standards and of any change made in the standards from time to time.

## **6. BACKGROUND INVESTIGATIONS:**

- 6.1 The Provider who is considering a potential applicant for a position that will require authorized access to perform work associated with driver's licenses or who may be assigned to perform work tasks associated with driver's licenses shall require the potential employee to submit to a background investigation to include a national criminal history records search and a state background investigation as is required by Section 9-11-10.1 NMSA 1978.
- 6.2 The Provider and the Provider's employees are fully responsible for the acts or omissions of the services the Provider provides under this Agreement.
- 6.3 A background investigation on all Users and employees of the Provider who work on MVD matters will be conducted prior to the start date of the User or employee. Fingerprints are required for a national criminal history records search and state background investigation. The background investigation, at a minimum, shall include the following:
  - (1) The User or employee's work history;
  - (2) The User or employee's tax compliance history (New Mexico and federal);
  - (3) The User or employee's driving history.

## **7. PROVIDER PERSONNEL:**

- 7.1 The Provider shall not hire or engage the services of any current employee of the Department unless Provider has first notified the Director or a Deputy Director of MVD.





- 7.2 The Provider shall not, without written permission from MVD, employ any individual to provide MVD services if the individual has been subject to disciplinary action by the Provider or other previous employer within the last ten (10) years.
- 7.3 The Provider's employees shall agree to background investigations before the date of hire. The Provider shall not knowingly employ any individual to provide MVD services if the individual has:
- (1) Any felony conviction within the last ten (10) years.
  - (2) A conviction involving misdemeanor offenses punishable by six (6) months or more imprisonment, DWI offenses, fraud or fraudulent activities, theft, bribery, making false statements, or any crime involving dishonesty or moral turpitude.
- 7.4 The Provider shall maintain an accurate employee log of all Provider's employees working on MVD matters or employees who have access to Motor Vehicle Information. The employee log shall contain the name, address, date of birth, date of hire, social security number, date of the background investigation, and work schedule of such employees. The Provider shall notify the MVD Designated Representative, Director or Deputy Director when there is any change related to the Provider's employees within twenty-four (24) hours of event.
- 7.5 The Provider shall immediately suspend any employee from access to MVD software, equipment, inventory, facility, products, and services upon notification from MVD or TRD that a criminal or administrative investigation was initiated regarding that individual.
- 7.6 The Provider is required to inform all employees of updates and changes regarding MVD policies, rules, and regulations in relationship to daily operations and transactions.
- 7.7 The Provider is required to inform and make available appropriate forms to all employees explaining the Provider's human resources policies.
- 7.8 The Provider shall inform all employees, agents and contractors in writing that they are mandated to report violations of applicable laws, rules, regulations, or conditions of this Agreement directly to the TFID of TRD.

## **8. NOTIFICATIONS AND REPORTING CHANGES:**

- 8.1 Within thirty (30) business days after signing this Agreement, the Provider is required to provide MVD with the employee log and required information for authorized employees listed in paragraph 5.7 within this agreement.
- 8.2 The Provider shall report any known violation of the terms of this Agreement, including violation of applicable laws, rules, or regulations, acts or omissions of its employees or customers, regarding the services provided herein to the Director or Deputy Director of MVD within twenty-four (24) hours of becoming aware of the incident. This provision includes, but is not limited to, reporting of any attempt to bribe an employee, potential customer fraud, any



breach of confidentiality of MVD data resources, any misuse of MVD inventory, any breach of testing integrity, and any criminal misconduct, including violation of motor vehicle laws including DWI by its employees.

- 8.3 In the event that an employee of the Provider separates from employment, the Provider shall notify MVD of the change within twenty-four (24) hours of the event of separation.
- 8.4 The Provider shall notify the MVD Director or Deputy Director in writing within two (2) business days of an arrest, on any charge, of any of Provider's Users.

## 9. TRAINING:

- 9.1 All employees of the Provider who work on MVD matters must be sufficiently trained on MVD policies, procedures, processes, software, and training on system access and transaction completion, before being allowed to process driver or vehicle transactions.
- 9.2 The Provider shall establish and adhere to a timely distribution and training procedure for written materials and instructions forwarded to the Provider by MVD.
- 9.3 All Users are required to attend a MVD-approved vendor training session for both Driver Services and Vehicle Services.
- 9.4 Training plans, training videos, or training documents developed by Provider pertaining to MVD matters must be reviewed and approved by MVD to ensure correctness of material and to ensure standardization of training information among other municipal or county entities that provide MVD services.
- 9.5 The Provider shall maintain training records for all employees working on MVD matters. Records shall include all basic, advanced, or remedial instruction provided to the employee by MVD or by Provider. Training records shall be maintained on site and made available to Authorized MVD Representatives upon request and during audits, inspections, or investigations.
- 9.6 All employees of the Provider must complete a Security Awareness Training session provided on-line by TRD/MVD.
- 9.7 All the Providers and their employees/users that are approved to offer Driver Services are required to complete Fraudulent Document Recognition training provided on-line by TRD/MVD.
- 9.8 The Provider agrees to comply with MVD requests that any named Provider employee(s) complete required MVD training within a timeframe set by MVD.
- 9.9 The Provider shall comply with, and train employees on the confidentiality provisions contained in Section 66-2-7.1, NMSA 1978 and in the DPPA.
- 9.10 Refresher training shall be given a minimum of every two (2) years or as determined by MVD. All wages, costs and other expenses for the Provider and its employees, including travel, lodging, and meal costs for any training shall be the responsibility of the Provider.



## **10. USER IDENTITY MANAGEMENT:**

- 10.1 The Provider and the Provider's office manager, supervisor(s), and employee(s) who are authorized to work on and with MVD matters shall be assigned a unique set of system access codes that identify the User and the User's permissible actions within the MVD transaction applications. The assignment of access codes shall be made available by the Department once a request for a User ID for each authorized individual is approved. The Provider shall ensure that access codes are properly used and secured. The Provider shall immediately change codes upon notice from MVD.
- 10.2 Each of the Provider's employees shall be assigned a unique password. The Provider must ensure that passwords are not shared or disclosed amongst employees.
- 10.3 In the event of employee discipline or separation from employment, the Provider shall notify MVD in writing within twenty-four (24) hours to deactivate the employee's password. Any violation of this provision shall be grounds for suspension or termination defined in Section 20.

## **11. FACILITY:**

- 11.1 This Agreement is contingent upon the Provider maintaining in force during the entire contract period a lease or sublease that extends by its terms to the end of the contract period of this Agreement. If the facility is not owned by the Provider, the Provider is required to provide MVD with a copy of the current lease or rental agreement for the facility, and all amendments thereto.
- 11.2 Prior to the execution of this Agreement, the Provider shall provide MVD a copy of its insurance declarations page showing proof of adequate coverage for its employees and buildings.
- 11.3 The Provider shall maintain its office within the location agreed to by MVD; the Provider shall not move the site to another location without the advance written consent of MVD.
- 11.4 If Provider is establishing a new facility or moving an existing facility to a new location, that facility is required to be evaluated and approved by MVD prior to Provider finalizing any decision on use of that facility as an MVD facility.
- 11.5 Provider shall maintain a facility open to the public that meets the following criteria:
  - (1) Location based on demonstrated public need or market analysis.
  - (2) Office facilities, including lighting, air conditioning, heating, and ventilation that meet the standards of the local community.
  - (3) Parking, including disability parking as prescribed by law, adequate for projected customer demand.
  - (4) Waiting area adequate for projected customer demand.
  - (5) Restroom facilities adequate for public and employee demand, and when possible, separate restrooms for gender and for employees and customers will be available.
  - (6) Testing area providing adequate security and monitoring.
  - (7) Exterior and interior security as required by state and local laws.
  - (8) Employee work stations meeting OSHA and professional office standards.



- (9) The Provider's entire facility shall be smoke-free.
- 11.6 The Provider's entire facility and parking area shall follow the Federal Americans with Disabilities Act of 1990, defined in Title 42 U.S.C., Chapter 126, Section 12101, and Equal Opportunity for Individuals with Disabilities et seq., as amended.
- 11.7 The Provider is required to ensure facilities contain adequate access for the delivery of MVD products and services.
- 11.8 The Provider shall designate a secure location(s) for computer equipment, printers, all data, and other sensitive information to ensure that the public or unauthorized employees are prohibited or prevented from accessing or viewing confidential information.
- 11.9 The Provider shall adopt a current facility maintenance plan or update the existing acceptable facility maintenance plan and submit the plan to MVD Representative within thirty (30) days of execution of this agreement for review and approval. The Provider shall be responsible for assuring that the interior and exterior of the facility premises are maintained in a clean, safe and attractive condition at all times.
- 11.10 The facility maintenance plan shall include that carpets and floors be professionally cleaned as needed and no less than once per year and that the walls are maintained and free of markings and damage. Interior walls are required to be repainted when necessary or ordered by the MVD representative during the term of this Agreement.
- 11.11 The Provider's exterior facilities shall be well marked, with adequate signs to ensure the public is able to locate the facility conveniently, and as may be directed by MVD.
- 11.12 The Provider shall prominently display on the premises and clearly visible to the public a sign no less than 2ft x 2ft specifying the charges imposed by the Provider for providing services and products in addition to the fees charged.
- 11.13 The Provider shall prominently display on the premises and clearly visible to the public a sign no less than 2ft x 2ft using the following or similar language:
- 11.13.1 "This Motor Vehicle Division office is operated by City of Hobbs under an agreement with the Motor Vehicle Division of the Taxation and Revenue Department. Comments regarding service or other concerns should be directed to (Toby Spears, Finance Director, 4800 Jack Gomez Blvd, Hobbs, NM 88240, (575) 397-9235) or to Director, Motor Vehicle Division, P.O. Box 1028, Santa Fe, NM 87504-1028, (505) 827-2296."
- 11.14 The Provider shall not allow members of the public or the Provider's employees to post, advertise, or display any printed materials, pictures, or photographs that support, endorse, promote, or oppose political, religious, or offensive causes.



## **12. INVENTORY AND SUPPLIES:**

- 12.1 Provider is required to maintain an accurate inventory of supplies and resources provided by MVD. MVD shall provide a list of items to be inventoried by Provider and a format for Provider to follow.
- 12.2 Inventory shall remain in a designated area that is secured. The Provider is required to reimburse MVD for all loss of MVD inventory, regardless of reason, and shall reimburse MVD for all loss of inventory. Required secured inventory shall be stored in the following:
  - (1) A safe.
  - (2) An inventory room with a security lock or locks on the door.
  - (3) A secured lockable cabinet.
- 12.3 The Provider is required to ensure that only authorized Users have access to MVD related inventory and supplies.
- 12.4 The Provider shall maintain a record of ordered inventory, received inventory; inventory used, and inventory discrepancy reports. Inventory records shall be maintained on site and made available to the MVD Representative upon request. Records shall be retained in accordance with Provider record retention requirements and/or MVD record retention requirements. In no case shall records be destroyed without MVD approval.
- 12.5 The Provider is responsible for all inventory discrepancies and is required to investigate the cause of the inventory discrepancies annually. A written report of inventory discrepancy investigations must be submitted to the TFID, the MVD Director, or Deputy Director upon completion. The Provider is required to reimburse MVD for all loss of MVD inventory, regardless of reason, and shall agree to reimburse MVD for all loss of inventory.
- 12.6 The Provider shall immediately report the discovery of any theft, burglary, or loss of inventory, controlled documents, or products to the appropriate local law enforcement agency and the Director or Deputy Director of MVD.

## **13. SECURITY**

- 13.1 The Provider shall implement and/or review the existing security plan and submit the new, existing, or updated security plan for the business location to the MVD Representative within thirty (30) days of execution of this agreement for review and approval. The security plan shall contain specifics that eliminate or reduce the potential for loss of MVD inventory and improper access to MVD data systems. Security plan requirements are listed in Appendix D "Mandatory Computer/Network Security Requirements."
- 13.2 Providers are required to ensure that all monies received for MVD operational funds are secured in locking cash registers or lockable drawers.
- 13.3 The Provider shall immediately report the discovery of any burglaries, and thefts of equipment or controlled documents and controlled products to the appropriate local law enforcement agency and the Director or Deputy Director of MVD. The Provider shall reimburse MVD for



loss of all MVD equipment or inventory regardless of reason and shall reimburse MVD for any direct or indirect loss sustained as the result of such loss.

#### **14. RECORDS AND RECORD REPORTING:**

- 14.1 All records are the property of MVD and shall be accessed by Provider and its employees for MVD business purposes only. Records, for this purpose, are defined as all documentation related to MVD daily business operations or transactions, whether the records are hand written, hard copies, originals, scans, typed, emails, or electronic documents or files regardless of physical form or characteristic. MVD shall make available to Provider access to MVD vehicle and driver record files. Such access shall be strictly limited in scope to that information needed by Provider in the conduct of Provider's MVD related business. The information obtained through such access shall be used exclusively for the services covered by this Agreement. Provider and its employees are prohibited from accessing or disseminating the information received from MVD for any other purpose unless allowed pursuant to Section 66-2-7.1, NMSA 1978 of the Motor Vehicle Code or the DPPA.
- 14.2 The Provider shall allow only authorized Users to access the database records to obtain information necessary to perform functions and duties of the Provider. No other individual or entity shall access or otherwise utilize any information or data obtained pursuant to this Agreement for any purpose not permitted or authorized in writing by MVD. Information from the records or otherwise obtained in connection herewith shall not be provided to any individual, company, entity or agency without prior authorization in writing by MVD. Unauthorized use or dissemination of MVD information will be grounds for immediate suspension of the User pending further investigation or may result in termination of this Agreement.

#### **15. AUDITS, INSPECTIONS AND INVESTIGATIONS:**

- 15.1 The Provider's facilities/service locations, operations, and records are subject to periodic audit and inspections. TRD/MVD and TFID, through their authorized representative(s), shall conduct random inspections and audits with or without prior notice to the Provider during regular business hours to evaluate Provider's operations and to ensure compliance with this Agreement, as well as with state and federal laws, rules, and regulations. The Provider is required to maintain detailed records of all transactions performed under this Agreement for a period of three (3) years from the date the transaction is processed.
- 15.2 Authorized TRD, MVD, and TFID Representatives are entitled to make copies of all the Provider records at MVD's expense. Records used for MVD-related business, shall indicate the date, time and nature of the services rendered and shall include, but not be limited to, MVD required transaction reports, payments to MVD, balance and close out documents, daily financial records, such as deposit information, with total daily revenue summaries for the office.
- 15.3 The Provider shall keep the original records at its service locations for one (1) year. Failure to comply with the provisions of this subparagraph shall constitute a material breach of this Agreement, entitling MVD to deny access to the MVD system for transaction processing, or



suspension until further investigation by MVD Representative until corrective action is determined.

- 15.4 The Provider shall be informed in writing by MVD within ten (10) business days of an audit or inspection of any deficiencies it may have regarding compliance with applicable laws, rules, regulations and/or this Agreement that are determined to exist as a result of an audit, inspections, or failure to comply with required record maintenance. Within ten (10) business days of receiving written notification of deficiencies, the Provider shall develop a plan to correct reported deficiencies. The Provider's corrective action plan must be reviewed and approved by MVD. To ensure compliance, a secondary audit will be scheduled within fourteen (14) business days after the implementation of the approved corrective action plan. Failure of compliance at the time of the secondary audit will result in the suspension or termination of this Agreement.

#### **16. PROVIDER COMPENSATION & TAX REQUIREMENTS:**

- 16.1 Provider is entitled to no compensation under this Agreement other than that provided by statute. As compensation for operating a motor vehicle field office, Provider shall be paid in accordance with Sections 66-6-23(A) (1) and (A) (2) NMSA 1978, as that section may be amended and renumbered.
- 16.2 Provided that the reports required from Provider have been audited and accepted as required by Section 66-6-22.1, NMSA 1978, payment, less any applicable penalties, shall be made to Provider no later than the 24<sup>th</sup> day of the month following the month of collection by Provider or the date deposited to the credit of MVD, whichever is later. Payment shall be accompanied by a report that includes, at a minimum, the date range for which the payment covers, and shall be based on transactions reported to MVD by Provider.
- 16.3 Notwithstanding anything to the contrary contained herein, the Provider shall have the right to assess its own fee for each customer transaction.
- 16.4 The Provider is not subject to the provisions of the Gross Receipts and Compensating Tax Act relative to registration for, filing and paying gross receipts tax on receipts under this Agreement.

#### **17. ASSIGNMENT**

- 17.1 Provider shall not assign or transfer any interest in this Agreement or assign any claims for money due under this Agreement.

#### **18. DISCLOSURE OF INFORMATION / CONFIDENTIALITY:**

- 18.1 During the term of this Agreement, and subsequent to any termination hereof, the Provider, its employees, officers, or representatives shall not disclose, distribute, make available or utilize in any manner whatsoever, any information, data, records, secrets or confidential material which was obtained during the performance of this Agreement.
- 18.2 The Provider shall not sell or disclose to any person, firm or corporation, any information regarding the persons to whom license plates, decals, registrations, licenses or identification



cards have been issued or any information of any kind tending to disclose the number thereof issued or the person(s) to whom the same were issued.

- 18.3 The Provider and all Users are subject to the criminal sanctions for unauthorized disclosure of confidential information found in Section 66-2-7.1(B), NMSA 1978 and the civil sanctions found in the DPPA at Title 18 U.S.C § 2724, as such statutes may be amended or renumbered.
- 18.4 The Provider shall further require all Users to sign an acknowledgement form acknowledging that the User will be subject to criminal and civil sanctions for unauthorized disclosure as provided above.

**19.TERM:**

- 19.1 This Agreement shall be effective on the date on which the parties duly execute it in full. This Agreement will expire on December 31, 2022 unless terminated or suspended pursuant to the terms of this Agreement.

**20.SUSPENSION, REINSTATEMENT& TERMINATION:**

- 20.1 TRD, may suspend access to any MVD data for a period of time at the discretion of the MVD Director, for violation of any material condition or obligation under this Agreement, any alleged violation of the Motor Vehicle Code and associated MVD rules and regulations, and the timely processing of MVD transactions and required remittance of MVD or TRD fees. If the Provider believes that suspension is inappropriate, the Provider may appeal the suspension in writing to the MVD Director within three (3) days of the suspension, but any such appeal does not stay the suspension. The Director's decision on the appeal will be final.
- 20.2 Either party may terminate this Agreement without cause upon at least thirty (30) days advance written notice to the other. By such termination, neither party shall be excused from responsibilities or obligations incurred or to be performed prior to the notice date of termination.
- 20.3 MVD may terminate this Agreement immediately upon determining that the Provider or any of its employees, agents, contractors or representatives has:
  - (1) Falsified any record or information pertaining to this Agreement.
  - (2) Committed an act or omission that compromises or has the potential to compromise the integrity of TRD operations or systems.
  - (3) Issued, written or produced any form of payment to TRD and said payment is returned or denied payment by any banking or credit institution, unless caused by an error or created by a third party which is not the fault of the Provider.
  - (4) Failed to timely remit to TRD fees collected.
- 20.4 If this Agreement is terminated, the Provider shall surrender to MVD all official records, forms, documents, supplies and equipment furnished by MVD, and shall take such action as TRD shall direct for the protection, preservation, retention or transfer of all property titled to TRD and records generated under this Agreement. Any property or equipment provided to Provider shall





be returned to TRD upon termination and shall be submitted to TRD within two (2) business days after termination date of the Agreement.

The Provisions of paragraph 20.4 within this Agreement are not exclusive and do not waive TRD's other legal rights and remedies caused by Provider's default/breach of this Agreement, including referral to appropriate law enforcement agencies for criminal prosecution.

## **21. INSURANCE:**

- 21.1 The Provider shall procure and maintain for the duration of this Agreement, at its own cost and expense, primary insurance coverage against claims for injuries to person or damages to property that may arise from or regarding activities undertaken by Provider, its agents, representatives, employees, or subcontractors. This insurance shall cover such claims as may be caused, in whole or in part, by any act, omission, or negligence of Provider or its officers, agents, representatives, employees or subcontractors.
- 21.2 The Provider agrees to comply with state laws and rules applicable to workers' compensation benefits for its employees. If Provider fails to comply with the Workers Compensation Act and applicable rules when required to do so, this Agreement may be terminated by MVD.

## **22. LIABILITY:**

- 22.1 In no event shall MVD or its employees be liable to Provider for any direct, indirect, or consequential damage which is the result of acts of god, strikes, lockouts, riots, acts of war, epidemics, power failures, equipment or software failures, nuclear accidents or other disasters.
- 22.2 MVD and its employees shall not be liable for any claims of any nature against Provider by any party arising from any failure of Provider to transmit or interpret the record access information accurately.

## **23. EMPLOYMENT STATUS:**

- 23.1 The Provider, its officers, agents, representatives and employees are independent contractors performing services for MVD under this Agreement and are not employees of the State of New Mexico. Provider, its officers, agents, representatives, and employees shall not accrue leave, nor be eligible for retirement, insurance, bonding, use of State vehicles, or any other benefits afforded to employees of the State of New Mexico.

## **24. NEW MEXICO EMPLOYEES HEALTH COVERAGE:**

- 24.1 If Provider has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period during the term of the contract, the Provider certifies, by signing this agreement, to have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees if the expected annual value in the aggregate of any and all contracts between the Provider and the State exceed \$250,000 dollars.



- 24.2 The Provider agrees to maintain a record of the number of employees who have (a) accepted health insurance; (b) declined health insurance due to other health insurance coverage already in place; or (c) declined health insurance for other reasons. These records are subject to review and audit by a representative of the state.
- 24.3 The Provider agrees to advise all employees of the availability of State publicly financed health care coverage program.

## **25. EQUAL OPPORTUNITY COMPLIANCE:**

- 25.1 The Provider agrees to abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws of the State of New Mexico, the Provider assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Agreement. If the Provider is found not to be following these requirements during the life of this Agreement, the Provider agrees to take appropriate steps to correct these deficiencies.

## **26. SUBCONTRACTING:**

- 26.1 The Provider shall not subcontract any portion of the services to be performed under this Agreement without the prior written approval of MVD.

## **27. DISPUTES:**

- 27.1 In the event of a breach, the terms of this Agreement in Section 20 define the remedies of the parties. The Provider's sole remedy is specific performance on the part of MVD.
- 27.2 Venue of any lawsuit filed by either party against the other arising in whole or in part out of this Agreement shall be in District Court, County of Santa Fe, and State of New Mexico.
- 27.3 Disputes between the Provider and members of the public concerning the Provider's denial of or failure to either allow or deny any license, permit, placard or registration provided for under the Motor Vehicle Code, shall be handled by MVD in accordance with Section 66-2-17, NMSA 1978 and customers shall be so informed as necessary.

## **28. AMENDMENT:**

- 28.1 This Agreement shall not be altered, changed, or amended except by instrument in writing executed by the parties hereto and all other required signatories.

## **29. INDEMNIFICATION:**

- 29.1 Neither party shall be responsible for liability incurred as a result of the other party's acts or omissions relating to this Agreement including the acts, omissions, or negligent actions of the other party. Any liability incurred regarding this Agreement is subject to the immunities and



limitations of the New Mexico Tort Claims Act, NMSA 1978, and Sections 41-4-1, et seq., as amended. This paragraph is intended only to define the liabilities between the parties and it is not intended to modify in any way, the parties' liabilities as governed by common law or the New Mexico Tort Claims Act. In the event that any action, suit or proceeding related to the services performed by the Provider or any officer, agent, employee, servant or subcontractor under this Agreement is brought against the Provider, the Provider shall, as soon as practicable but no later than two (2) days after it receives notice thereof, notify the legal counsel of the MVD by certified mail.

### 30. NOTICES:

30.1 All notices or demands upon either party hereto by the other pursuant to this Agreement shall be in writing and shall be faxed, emailed, delivered in person or sent by mail.

30.2 The Provider shall notify the MVD Director or Deputy Director in writing thirty (30) calendar days prior to any change in either Provider's mailing address or Provider's designated contact person.

30.3 Provider designates the following individual at the following address to be its representative to receive written notices and communications, which are provided under this Agreement:

Name: Toby Spears  
Title: Finance Director  
Mailing Address: 200 E Broadway  
Hobbs, NM 88240  
Physical Address: 4800 Jack Gomez Blvd  
Hobbs, NM 88240  
Email: [tspears@hobbsnm.org](mailto:tspears@hobbsnm.org)  
Phone: (575) 397-9235

30.4 MVD designates the following individual at the following address to be its representative to receive written notices and communications, which are provided under this Agreement:

Name: Teresa Valdez  
Title: Municipal Office Operations  
Manager  
Address: Motor Vehicle Division  
1100 S St. Francis Dr.  
Santa Fe, NM 87505-4147  
Email: [Teresa.Valdez2@state.nm.us](mailto:Teresa.Valdez2@state.nm.us)  
Phone: (505) 660-8114  
Fax: (505) 476-1515



30.5 Provider shall keep MVD informed in writing of its current emergency notification address and telephone number where the Provider may be contacted in the event of an emergency. MVD shall provide similar information regarding the MVD contact.

**31. SEVERABILITY:**

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

31.2 MVD shall have no liability to the Provider if this Agreement is held to be invalid or unenforceable, in whole or in part.

**32. ENTIRE AGREEMENT:**

32.1 This Agreement shall be governed by the laws of the State of New Mexico and subject matter jurisdiction lies with the State of New Mexico.

32.2 This Agreement and Appendices referred to herein, incorporates all the agreements, covenants, and understandings between the parties concerning the subject matter of this Agreement.

**33. ENFORCEMENT OF AGREEMENT:**

33.1 A party's failure to require strict performance of any provision of this Agreement shall not waive or diminish the Provider's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this Agreement shall be effective unless express and in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights.

**34. AUTHORITY:**

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

(Signature page to follow)



IN WITNESS WHEREOF, the parties have executed this Agreement as of the last date on the last Signature affixed to this Agreement.

**State of New Mexico Taxation and Revenue Department: Motor Vehicle Division**

*John Monforte*  
John Monforte  
Cabinet Secretary.  
Department of Taxation and Revenue

3-9-18  
Date

*Alicia Ortiz*  
Alicia Ortiz  
Acting Director, Motor Vehicle Division  
Department of Taxation and Revenue

3-7-18  
Date

*JoAnn Chavez*  
JoAnn Chavez  
Acting Administrative Services Division Director  
Department of Taxation and Revenue

3/12/2018  
Date

**Approved for Legal Sufficiency:**

*Regina Ryanczak*  
Regina Ryanczak, Legal Bureau Chief  
Department of Taxation and Revenue

3/19/18  
Date

**City/County/Village/Town:**

\_\_\_\_\_

\_\_\_\_\_

Date

Title

**Approved as to form:**

*Michael H. Steu*  
City/County Attorney

4/10/18  
Date



**APPENDIX A**

*Mandatory Computer Requirements – Driver Services*

Item	Description
1	Local Scanning Hardware/Software (1) Required per office location <ul style="list-style-type: none"> <li>• Scanner-Fujitsu 7160 (Model FI-7160)-captures documents or equivalent</li> <li>• Licensing/Subscription for EMC CWC (projected cost \$350/yr.)</li> </ul>
2	Workstation for each employee simultaneously accessing Tapestry <ul style="list-style-type: none"> <li>• Intel Core i5 or higher</li> <li>• 8GB RAM</li> <li>• Integrated Graphics</li> <li>• At least one VGA port and another video port for sending video signals to support dual monitors (Examples-VGA +Display Port, VGA+DVI, VGA+HDMI, VGA+VGA)</li> <li>• 500GB hard drive</li> <li>• Minimum 6 USB ports</li> <li>• Win 7 minimum OS</li> <li>• Internet Explorer 11</li> <li>• Adobe Acrobat Reader DC</li> </ul> Monitor – 17” or larger Mouse Keyboard
3	Printer- HP LaserJet P3015dn Printer or equivalent
4	PROVIDER must supply his or her own POS hardware and software. No Provider will use Tapestry POS hardware or software.
5	Minimum bandwidth connection to Internet <ul style="list-style-type: none"> <li>• 1 - 4 Persons Office: 1.5Mbps</li> <li>• 5-10 Persons Office: 3-5Mbps</li> <li>• 10-20 Person Office: 5-15Mbps</li> </ul>
<b>ADDITIONAL REQUIREMENTS NEEDED –</b>	



Providers Qualified to Produce Credentials	
1	TRD-specified Camera Station
2	TRD-specified Eye Testing Machine(s)

**Mandatory Computer Requirements – Vehicle/Vessel Services**

Item	Description
1	<p>Local Scanning Hardware/Software</p> <p>(2) Required per office location</p> <ul style="list-style-type: none"> <li>• Scanner-Fujitsu 7160 (Model FI-7160)-captures documents or equivalent</li> <li>• Licensing/Subscription for EMC CWC (projected cost \$350/yr.)</li> </ul>
2	<p>Workstation for each employee simultaneously accessing Tapestry</p> <ul style="list-style-type: none"> <li>• Intel Core i5 or higher</li> <li>• 8GB RAM</li> <li>• Integrated Graphics</li> <li>• At least one VGA port and another video port for sending video signals to support dual monitors (Examples-VGA +Display Port, VGA+DVI, VGA+HDMI, VGA+VGA)</li> <li>• 500GB hard drive</li> <li>• Minimum 4 USB ports</li> <li>• Win 7 minimum OS</li> <li>• Internet Explorer 11</li> <li>• Adobe Acrobat Reader DC</li> </ul> <p>Monitor – 17” or larger</p> <p>Mouse</p> <p>Keyboard</p>
3	Printer- HP LaserJet P3015dn Printer or equivalent
4	<p>PROVIDER must supply his or her own POS hardware and software.</p> <p>No Provider will use Tapestry POS hardware or software.</p>
5	<p>Minimum bandwidth connection to Internet</p> <ul style="list-style-type: none"> <li>• 1 Person Office: 1.5Mbps</li> <li>• 5-10 Person Office: 3-5Mbps</li> <li>• 10-20 Person Office: 5-15Mbps</li> </ul>



**APPENDIX B**

***MANDATORY Requirements***

**Providers Qualified by MVD to Perform Driver Transactions**

In addition to requirements specified elsewhere in the Motor Vehicle Service Provider Agreement, the Provider must commit to obtaining/providing the following:

Item	Description
1	<p>Corporate Performance and Surety Bond for Loss, Fraud, Theft, Employee Dishonesty, and any act, omission or negligence of Company, its officers, agents, representatives, employees or contractors</p> <p>1 – 5,000 Transactions/year amount of bond: \$125,000 5,001 – 15,000 Transactions/year amount of bond: \$250,000 15,001 and over Transactions/year amount of bond: \$500,000</p> <p>A Provider performing more than one Type of Transactions (Driver, Vehicle, Vessel, and/or Driver Education) need only obtain one bond for the corporation/partnership.</p> <p>A Provider possessing current insurance or bond coverage for all these aspects, need only add MVD as a named party.</p> <p>Providers without blanket coverage including the above listed events can obtain multiple bonds or insurance policies. Bonds are preferred. When coverage is split into different policies or bonds, each policy or bond must be for the minimum amount of coverage the Provider must cover, given the Provider’s transaction volume.</p>





**APPENDIX C**

**MANDATORY Requirements for Providers**

**Qualified by MVD to Perform Vehicle & Vessel Transactions**

In addition to requirements specified elsewhere in the Motor Vehicle Service Provider Agreement, the Provider must commit to obtaining/providing the following:

Item	Description
1	<p>Corporate Performance and Surety Bond for Loss, Fraud, Theft, Employee Dishonesty, and any act, omission or negligence of Company, its officers, agents, representatives, employees or contractors</p> <p>1 – 5,000 Transactions/year amount of bond: \$125,000</p> <p>5,001 – 15,000 Transactions/year amount of bond: \$250,000</p> <p>15,001 and over Transactions/year amount of bond: \$500,000</p> <p>A Provider performing more than one Type of Transactions (Driver, Vehicle, Vessel, and/or Driver Education) need only obtain one bond for the corporation/partnership.</p> <p>A Provider possessing current insurance or bond coverage for all these aspects, need only add MVD as a loss payee.</p> <p>Providers without blanket coverage including the above listed events can obtain multiple bonds or insurance policies. Bonds are preferred. Coverage that is split into different policies or bonds, each policy or bond must be for the minimum amount of coverage the Provider must cover, given the Provider’s transaction volume.</p>
2	<p>VIN Inspection Bond of \$30,000 per VIN inspector required, unless the VIN inspectors are already under the blanket coverage of the corporation.</p>



## APPENDIX D

### *MANDATORY Minimum-Security Requirements*

In addition to Security Requirements listed in the Agreement, Provider must also comply with the following, depending on the type of transactions the Provider has been authorized by MVD to perform:

Providers Approved for Driver and or Vehicle/Vessel Services Only	
Item	Description
1	A Separate, unique email box for each Provider employee performing Tapestry transactions. The sharing or disclosure of user IDs or logon credentials is PROHIBITED.
2	<p>Any computing devices connected to MVD systems are required to have up-to-date system updates and antivirus/antimalware installed, full disk encryption is also recommended. The use of removable media is prohibited unless approved by MVD and should be encrypted.</p> <p>Further instructions for implementing minimal required security controls can be found here: <a href="http://csrc.nist.gov/publications/fips/fips200/FIPS-200-final-march.pdf">http://csrc.nist.gov/publications/fips/fips200/FIPS-200-final-march.pdf</a></p> <p>Definitions for removable media - USB port devices (external hard drive), Compact Discs (CDs), Digital Versatile Discs (DVDs), USB flash/thumb drives, handheld wireless devices, media device, camera, audio recording device, and any other existing or future mobile storage device.</p> <p>Documentation on encryption standards can be found at: <a href="http://csrc.nist.gov/publications/fips/fips140-2/fips1402.pdf">http://csrc.nist.gov/publications/fips/fips140-2/fips1402.pdf</a></p>
3	Any computing devices including Provider networking devices (routers, switches, firewalls) used for connecting to MVD System such as Tapestry must use strong, complex password including one capital, one number, and one special character. Default, simple out of the box passwords should be changed or disabled.
4	<p>When a device with a hard drive or other storage medium including copier/scanner is no longer needed, the data contained is to be deleted and the storage medium destroyed.</p> <p>Guidelines on how this removal can be accomplished can be found at: <a href="http://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-88r1.pdf">http://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-88r1.pdf</a></p> <p>This process should be documented and reported to MVD.</p>
5	<p>Any sensitive PII obtained under this contract shall be removed from the Provider-owned information technology assets upon termination or expiration of the Provider agreement.</p> <p>Guidelines on how this removal can be accomplished can be found at: <a href="http://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-88r1.pdf">http://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-88r1.pdf</a></p> <p>This process should be documented and reported to MVD.</p>
6	The Provider agrees that in the event of any actual or suspected breach of PII (i.e. loss of control, compromise, unauthorized disclosure, access for an unauthorized purpose, or other unauthorized access, whether physical or electronic.) will be reported to MVD and to TRD CSO within 24 hours of its discovery.



7	The Provider should ensure any computing devices connected to MVD system such as Tapestry should be physically secured to prevent unauthorized removal or theft.
8	Providers must not email Personally Identifiable Information (PII) to prevent disclosure.
9	Users must not save their password in the Internet Web Browser.



## Appendix E

### MVD MISSION AND CORE VALUES

**MVD Mission:**

Outstanding service to the motoring public- every customer, every transaction, every time.

**MVD Vision:**

National excellence in motor vehicle services and operations.

**MVD Core Values:**

- To take care of our customers by taking care of our staff.
- To provide a supportive and professional work environment with a focus on teamwork, documented policies and procedures, accountability, person responsibility, employee development, and good communication.
- To provide quality customer services that is consistent, timely, accurate, confidential, efficient, and professional.
- To value our customers' time by minimizing field office, wait times, and by providing alternative service delivery channels which eliminate the need to wait in line.
- To minimize fraud and opportunities for identity theft.
- To meet state and federal requirements with budget parameters.

\_\_\_\_\_  
Provider's signature

\_\_\_\_\_  
Date



**CITY OF HOBBS**  
COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 4, 2018

SUBJECT: Resolution Authorizing the Mayor to Execute a Professional Service Agreement with the Economic Development Corporation of Lea County (Operations and Special Project), Hobbs Chamber of Commerce, Hobbs Hispano Chamber of Commerce and New Mexico National Black Chamber of Commerce.


DEPT. OF ORIGIN: Legal Department  
DATE SUBMITTED: May 30, 2018  
SUBMITTED BY: Michael H. Stone, City Attorney

Summary:

This resolution authorizes the Mayor to execute a Professional Services Agreement with the Economic Development Corporation of Lea County for operations and special projects, Hobbs Chamber of Commerce, Hobbs Hispano Chamber of Commerce and New Mexico National Black Chamber of Commerce for FY 18-19.

Fiscal Impact:

The funding has been approved in the 2018-19 budget.


Reviewed By: 

Finance Department

Attachments:

Resolution

Legal Review:

Approved As To Form: 

City Attorney

Recommendation:

The Commission should 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. 6671

A RESOLUTION AUTHORIZING FY 18-19 FUNDING APPROPRIATIONS  
FOR ECONOMIC DEVELOPMENT AND MARKETING ENTITIES

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that FY 18-19 funding appropriations are approved for economic development and marketing of Hobbs in the following amounts:

	Amount Requested	Amount Approved
Economic Development Corporation		
Operating	\$200,000.00	
Special Project	\$ 50,000.00	
Hobbs Chamber of Commerce	\$ 75,000.00	
Hobbs Hispano Chamber of Commerce	\$ 64,000.00	
New Mexico National Black Chamber of Commerce	\$ 45,000.00	

BE IT FURTHER RESOLVED that the Mayor be and is hereby authorized and directed to execute appropriate Professional Services Agreements with each agency in the amounts approved above.

\_\_\_\_\_  
SAM D. COBB, Mayor

ATTEST:

\_\_\_\_\_  
JAN FLETCHER, City Clerk



**CITY OF HOBBS**  
COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 4, 2018

SUBJECT: Resolution Authorizing the Mayor to Execute a Social Service Agreement for the Juneteenth celebration.

DEPT. OF ORIGIN: Legal Department  
DATE SUBMITTED: May 30, 2018  
SUBMITTED BY: Michael H. Stone, City Attorney

Summary:  
This resolution authorizes the Mayor to execute a Social Services Agreement with the Juneteenth celebration for FY 18-19.

Fiscal Impact:  
The funding has been approved in the 2018-19 budget.

Reviewed By:  \_\_\_\_\_  
Finance Department

Attachments:  
Resolution

Legal Review: \_\_\_\_\_  
Approved As To Form:  \_\_\_\_\_  
City Attorney

Recommendation:  
The Commission should approve the Resolution.

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. 6672

A RESOLUTION AUTHORIZING FY 18-19  
FUNDING APPROPRIATION FOR JUNETEENTH

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that FY 18-19 funding appropriation is approved for Juneteenth Celebration:

	Amount Requested	Amount Approved
Juneteenth	\$ 25,000.00	

BE IT FURTHER RESOLVED that the Mayor be and is hereby authorized and directed to execute an appropriate Social Services Agreement with the agency listed above in the amount approved.

\_\_\_\_\_  
SAM D. COBB, Mayor

ATTEST:

\_\_\_\_\_  
JAN FLETCHER, City Clerk





CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 4, 2018

SUBJECT: CONSIDERATION TO APPROVE A DEVELOPMENT AGREEMENT WITH HABITAT FOR HUMANITY CONCERNING THE DEVELOPMENT OF LOW INCOME SINGLE-FAMILY HOUSING.

DEPT. OF ORIGIN: Planning Division
DATE SUBMITTED: May 28, 2018
SUBMITTED BY: Kevin Robinson - Planning Department

Summary: Habitat For Humanity has requested a Development Agreement concerning the development of single-family housing units located within the Albertson Block 1 Subdivision. The developer proposes to produce 20 low income single-family units and is requesting public infrastructure reimbursement incentives of \$105,000.00. The terms of the attached DA allows a reimbursement of public infrastructure installed for each unit that receives a Certificate of Occupancy within the Albertson Block 1 Subdivision prior to January 1, 2020.

Fiscal Impact:

Reviewed By: [Signature]
Finance Department

FY18 Budget \$335,000.00

Single Family Housing #010100-44901-169

Attachments: Developers Request 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. 6673

**A RESOLUTION TO APPROVE A DEVELOPMENT AGREEMENT WITH HABITAT FOR HUMANITY CONCERNING THE DEVELOPMENT OF LOW INCOME SINGLE-FAMILY HOUSING.**

WHEREAS, the City of Hobbs is proposing to enter into a Development Agreement with Habitat for Humanity concerning the development of low income 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 4th day of June, 2018.

\_\_\_\_\_  
Sam D. Cobb, Mayor

ATTEST:

\_\_\_\_\_  
Jan Fletcher, City Clerk

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

THIS AGREEMENT is entered into on this \_\_\_\_\_ day of \_\_\_\_\_ 2018 by and between the City Of Hobbs, New Mexico, a municipal corporation (hereinafter "City"); and Habitat for Humanity of Hobbs, PO Box 5833, Hobbs, NM 88241, (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 Low Income Housing to the Citizens of Hobbs, New Mexico.

\*\* Developer has submitted a proposal to the City to deliver the required Housing Developer Services for the development of low income single-family units, to be produced prior to January 1, 2020, located within the Municipal Boundaries.

\*\* Any outstanding Development Agreements between the Developer and the City of Hobbs concerning the production of Low Income Housing shall become null and void upon the ratification of this agreement herewith.

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 and prior to January 1, 2020.

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 Single Family Low Income Housing Units within the Municipal Boundaries. 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.

3. Specific activities required are to develop privately owned real property in the City including designing, building and transferring to the public individual low income single family housing units.

Incentives are available for installed public municipal infrastructure only. The City's infrastructure incentive may include any or all of the following funding assistance from the City:

- 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 any City of Hobbs Annual Pavement/Concrete/Utility Contracts or public infrastructure projects and estimates.

**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. 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 Five Thousand Dollars (\$105,000.00), 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.

**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 January 1, 2020. A request for infrastructure reimbursement received after the Termination Date of this agreement will not be eligible for payment, regardless if the unit produced qualified within the terms of this agreement.

**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: Habitat for Humanity of Hobbs, PO Box 5833, Hobbs, NM 88241 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