

THE STATE OF THE CITY

The City of Hobbs congratulates all of our residents who are participating in Lea County's and Southeastern New Mexico's oil and gas development and production, which continues to be the backbone of our economy and livelihoods, as well as the solar energy electrical power projects and the wind-turbine electrical power projects now underway. I have been asked to write a "State of the City" report for this progress edition of the Hobbs News Sun. There are so many different aspects of the state of the City, I shall focus in this article solely on the City's finances, improvement projects, and the up-coming non-stop jet air service to and from Houston, Texas.

1. FINANCES

Hobbs continues to enjoy near record highs in receipt of gross receipts taxes, which are the primary source of continuing revenues to the City. The State requires that cities place 1/12 (8.5%) of anticipated yearly gross receipts taxes and other available revenue funds into reserves (basically a savings account) that will enable the City to operate for one month, even if no revenue is received during a given month. The reserves of the City of Hobbs are currently 31% of our anticipated revenues. The City's only bonded debt is that relating to construction of the new wastewater treatment plant that was completed in 2009 and is planned to have at least a 25-year life expectancy. This bonded debt is paid from water/sewer monthly billings, as are the operating expenses of the utility department (the State treats City-owned utilities as "enterprise funds," which must be self-supporting).

The number of City employees has been reduced by over 10% in the last two years, and the number of preventable accidents has been reduced almost 50%. Over the last three (3) years City Employees have received pay increases of approximately 3 to 5% per year, and may have also received merit pay increases of at least 2% per year.

2. PROJECTS AND IMPROVEMENTS

While the City has been the primary mover or a significant participant in the below-listed projects, many could not have been begun or accomplished without the continuing financial contributions and leadership of the J. F Maddox Foundation and assistance from the County of Lea, the Economic Development Corporation of Lea County, the State of New Mexico and our local New Mexico Senators and Representatives, the many Hobbsans who have served on numerous State Commissions and Boards over these three (3) years, and our Congressional delegation in Washington.

City Improvement projects that have been commenced or completed or in which the City participated since the City election in March 2008 are listed below (these are not listed in any particular order or importance, and I may have inadvertently omitted other projects which did not readily come to mind - - no slights intended!):

(a) Renovation of the former Moncor Bank building at 200 E. Broadway to become City Hall.

(b) Renovation of the former City Hall at 300 N. Turner to become the Police Department headquarters.

(c) Remodeling major portions of the former police station at 300 N. Dalmont, which has now been leased to Lea County as the primary office of the Fifth Judicial District Attorney. The City Jail and the Police dispatch office will remain in the building until the completion of the joint County-City emergency operation center/centralized 911 emergency dispatch and Sheriff's sub-station buildings currently being constructed on West College Lane just East of Christian Center.

(d) Fire Station No. 4 is under construction on the Eastern-most portion of this emergency operations complex on College Lane.

(e) Three major paving, drainage, and sidewalk improvement projects have been completed on East Marland Street in the Washington School and Carl Mackey Park areas. Marland and Willow Street drainage improvements and other street improvements are being planned for Southeast Hobbs.

(f) The Department of Motor Vehicles office has been relocated and now occupies the first building on Jack Gomez Blvd. at Hobbs Industrial Air Park (HIAP); its former space in the City Hall at 300 N. Turner St. is now utilized as part of the Police Department headquarters.

(g) A new Animal Adoption Center has been completed and is now occupied at 702 N. Grimes St. The Lea County Humane Society occupies a portion of this building and works hand-in-hand with the City staff pursuant to a Professional Services Agreement.

(h) More than 300 ruined, damaged, dilapidated, and dangerous structures that were a menace to public comfort, health, and safety have been condemned in this three year period; many have been torn down and the vacant lots are being sold to be returned to the Lea County ad valorem tax rolls and at least partially repaying the City for the expenses incurred in the condemnation process. We now have a temporary program to help fund the cost of waste dumpsters for owners to participate in these condemnation/improvement efforts.

(i) A few dangerous trees have been removed at the Hobbs Public Library and replaced with many more trees having bores of at least six inches. The Library's collections and offerings continue to improve; computers with free internet connections are also available at the Library.

(j) A new park has been built at Jefferson school on the West side of Hobbs; improvements to the baseball facilities located nearby will be underway soon, and the old school warehouse will be torn down and the vacated space incorporated into the park grounds.

(k) Construction of the Lovington Highway beautification/health walk trail continues from Grimes Street north of the railroad tracks to Jack Gomez Boulevard at HIAP, a distance of approximately 7.5 miles.

(l) Renovation of Green Meadows Lake park on the East side of the Lovington Highway across from the Casino continues. This park will truly be a "jewel" in the desert when completed; the State will continue to stock the lake with fish.

(m) A new phase of improvements continue at Del Norte Park (a doggie park may be incorporated into the current project). The pool at the park is consistently overcrowded; we are considering additional improvements at Heizer and Humble Parks to attempt to relieve some of this overcrowding.

(n) Many improvements have been accomplished at Ocotillo Golf Course at HIAP; we are discussing a new clubhouse. The golf course will be the venue for the National Junior College Athletic Association Cross Country National Championship on November 12, 2011, a great feather in the cap of NMJC!

(o) Major improvements have been completed on Sanger Street between Dal Paso Street and the Seminole Highway (including street widening and realignments to assist in school bus and other vehicle loading and unloading activities at the new Ninth Grade High School and Alternate School just West of the Hobbs Municipal Schools' Central Office on East Sanger Street).

(p) Major improvements are underway on East Bender Street from Dal Paso Street to Steven Street, and the North Grimes Street improvements have been completed.

(q) The Lea County Commission for the Arts building has been remodeled on Broadway Street and other improvements and updating guided by Mainstreet Hobbs continue to beautify and renovate this important area.

(r) The City has purchased the former Chevrolet/Chrysler/Hyundai location at 400 W. Broadway and has moved the Hobbs Express operations to this location, which now affords indoor overnight parking for our Hobbs Express buses.

(s) The main buildings at the City garage and warehouse complex on East Texas Street have been replaced and/or updated.

(t) Building renovations (the two buildings are now tied together) at the Agnes Kastner Head Senior Citizens Center at 200 E. Park Street have been completed, and the landscaping will be completed soon.

(u) Improvements to Joe Harvey Boulevard left turn lanes and other streetscapes and landscaping are planned to commence soon.

(v) Portions of HIAP have been subdivided into commercial lots and are now available for sale for economic development purposes; several lots have been sold and are now owner-occupied businesses. Improvements to the railroad tracks in HIAP are now underway under a contract with Nova Mud, Inc., the latest purchaser/occupant at HIAP.

(w) Numerous extremely rough railroad/street crossings have been repaired through the cooperation of the City, Lea County, and Texas New Mexico Railroad. Other work on streets, such as chip-sealing and localized curb and drainage improvements, are continually underway.

(x) Improvements to Martin Luther King Park continue. A new recreation/walking trail and visual barrier along the West side of Dal Paso Street from Texas Street to Stanolind Road is being discussed.

(y) Oxy Permian Corporation recently sold to the City of Hobbs an abandoned pipeline generally described as running from the sewer plant in Southeast Hobbs West to West County Road and then North to Sanger Street for a pipeline distance of 5.6 miles. This line will be used as Phase I of a piping project that will eventually enable delivery of effluent water from the waste-water treatment plant that can be used for watering park areas, the golf course, the beautification trail, and other areas in the City, thereby minimizing the use of treated drinking water for such irrigation.

My fellow City Commissioners John Boyd (Mayor pro-tem), Joe Calderon, Crystal Mullins, Jonathan Sena, Hal Brunson, and Garry Buie are dedicated policy makers for the City of Hobbs. We are fortunate to have the services of Eric Honeyfield, City Manager, and all of the department heads of the various City departments and all other City employees who continually strive to make Hobbs an even better place to live!

3. Air Service

Having traveled extensively throughout the United States, I am certainly of the opinion that we are blessed to be able to live in Hobbs and Lea County. The soon-to-be commenced non-stop jet air service to and from Houston, Texas, will add new dimensions of convenience and opportunities for local residents and others, including the numerous business travelers who come to and leave from Hobbs and Lea County every day. The

Houston Intercontinental Airport provides direct connection flights to more than 60 U.S. cities and more than 30 international cities with layovers of two hours or less. I fully expect that this project will be one of the most rewarding economic development activities in Lea County history.

It is truly an honor and privilege to serve as Mayor of Hobbs, and I wish you all the very best!

Gary Don Reagan, Mayor