

Commission Meeting Agenda



Mayor

Samuel D. Cobb

City Commission

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

City Manager

Manny Gomez

June 21, 2022



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

Tuesday, June 21, 2022 - 6:00 p.m.

Sam D. Cobb, Mayor

R. Finn Smith
Commissioner – District 1

Joseph D. Calderón
Commissioner – District 4

Christopher R. Mills
Commissioner – District 2

Dwayne Penick
Commissioner – District 5

Larron B. Fields
Commissioner – District 3

Don R. Gerth
Commissioner – District 6

This meeting is open to the public to attend. The public is invited to address public comments to the Commission in person at the meeting or submit written comments prior to the meeting. Written comments should be submitted no later than 4:30 p.m. on June 21, 2022, addressed to the Deputy City Clerk by email at mmaldonado@hobbsnm.org or faxed to (575) 397-9334.

A G E N D A

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

CALL TO ORDER AND ROLL CALL

INVOCATION AND PLEDGE OF ALLEGIANCE

APPROVAL OF MINUTES

1. Minutes of the June 6, 2022, Regular Commission Meeting (*Jan Fletcher, City Clerk*)
2. Minutes of the June 13, 2022, Special Commission Meeting (*Jan Fletcher, City Clerk*)
3. Minutes of the June 13, 2022, Commission Work Session (*Jan Fletcher, City Clerk*)

PROCLAMATIONS AND AWARDS OF MERIT

4. Recognition of City Employees - Milestone Service Awards for the Month of June, 2022 (*Manny Gomez, City Manager*)
 - 5 years – Katerina Gill, Senior Center
 - 10 years – Martin Gutierrez, Water Distribution
 - 10 years – Jessica Jimenez, Hobbs Police Department
 - 15 years – Mark Munro, Hobbs Police Department
 - 15 years – Terry Sprouse, General Services Department
 - 20 years – Kaylyn Lewis, Utilities Office
 - 20 years – Gary Rohloff, General Services Department
 - 20 years – Barry Young, Hobbs Fire Department

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

Due to COVID-19, public comment may be submitted in person or in writing. Written comments should be submitted to the Deputy City Clerk at mmaldonado@hobbsnm.org or faxed to (575) 397-9334 no later than 4:30 p.m. on the day of the meeting, June 21, 2022.

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

5. Resolution No. 7213 – Authorizing the City Manager’s Litigation Authority for FY 22-23 (*Efren Cortez, City Attorney*)

DISCUSSION

None

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

6. **PUBLIC HEARING:** Resolution No. 7214 – Enforcing or Rescinding Resolution No. 7194 as it Applies to Condemned Property Located at 118 North Jefferson (*Valerie Chacon, Deputy City Attorney*)

7. Consideration of Approval of Bid No. 1594-22 to Furnish Air Conditioner Filter Replacement Services for the City of Hobbs and Recommendation to Accept Bid from Gary's Heating & Air Conditioning Services in the Amount of \$76,000.00 (Not Including GRT) (*Shelia Baker, General Services Director*)
8. Resolution No. 7215 – Approving a Development Agreement with ALJO, LLC, Concerning the Development of Market Rate Single-Family Housing (*Kevin Robinson, Development Director*)
9. Resolution No. 7216 – Authorizing a Grant Agreement with the New Mexico Department of Transportation in the Amount of \$266,667.00 for Pedestrian Crosswalk Improvements at the Intersections of Marland/Clinton and Bender/Brazos (*Todd Randall, City Engineer*)
10. Consideration of Approval of RFP No. 533-22 for Grit Chamber Support Replacement and Recommendation to Accept Proposal from Rebuild-It Services Group (*Tim Woomer, Utilities Director*)

COMMENTS BY CITY COMMISSIONERS, CITY MANAGER

11. Next Meeting Date:

➤ City Commission Regular Meetings:

- **Tuesday, July 5, 2022, at 6:00 p.m.** (*Moved due to the July Fourth Holiday observed on Monday, July 4, 2022*)
- **Monday, July 18, 2022, 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) 397-9200 at least 72 hours prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the City Clerk's Office if a summary or other type of accessible format is needed.



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 21, 2022

SUBJECT: City Commission Meeting Minutes

DEPT. OF ORIGIN: City Clerk's Office
DATE SUBMITTED: June 15, 2022
SUBMITTED BY: Jan Fletcher, City Clerk

Summary:

The following minutes are submitted for approval:

- Regular Commission Meeting of June 6, 2022
- Special Commission Meeting of June 13, 2022
- Commission Work Session of June 13, 2022

Fiscal Impact:

Reviewed By: _____
Finance Department

N/A

Attachments:

Minutes as referenced under "Summary".

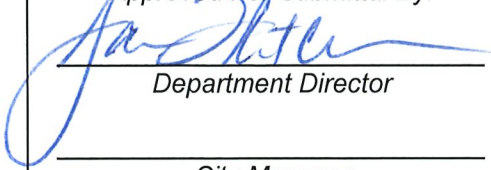
Legal Review:

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, June 6, 2022, in the City Commission Chamber, 200 East Broadway, 1st Floor Annex, Hobbs, New Mexico. This meeting was also viewable to the public via Livestream on the City's website at www.hobbsnm.org.

Call to Order and Roll Call

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

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

Also present:

Manny Gomez, City Manager
Valerie Chacon, Deputy City Attorney
August Fons, Police Chief
Shane Blevins, Police Captain
Barry Young, Fire Chief
Kevin Shearer, Battalion Chief
Toby Spears, Finance Director
Deb Corral, Assistant Finance Director
Bobby Arther, Municipal Judge
Nicholas Goulet, Human Resources Director
Meghan Mooney, Communications Director
Shelia Baker, General Services Director
Doug McDaniel, Recreation Director
Angela Courter, Senior Affairs Coordinator
Matt Hughes, Rockwind Community Links Superintendent
Tim Woomer, Utilities Director
Ron Roberts, Information Technology Director
Christa Belyeu, Assistant Information Technology Director
Sandy Farrell, Library Director
Julie Nymeyer, Administrative Assistant
Mollie Maldonado, Deputy City Clerk
Jan Fletcher, City Clerk
16 citizens

Invocation and Pledge of Allegiance

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

Closed Session

The Commission convened in closed session at 5:00 p.m. on Monday, June 6, 2022, for the discussion of the acquisition or disposal of real property located at the Hobbs Industrial Air Park. [NMSA 1978, §10-15-1(H)(8)]. The matters discussed in the closed meeting were limited only to that specified above. No action was taken during the meeting.

Approval of Minutes

Commissioner Penick moved the minutes of the special Commission meeting of May 12, 2022, regular Commission meeting of May 16, 2022, and work session of May 23, 2022, be approved as written. Commissioner Mills seconded the motion and the vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried.

Proclamations and Awards of Merit

None.

Public Comments

Mayor Cobb stated due to COVID-19, public comments may be submitted in person or in writing. Written comments should be submitted to the City Clerk at jfletcher@hobbsnm.org or faxed to (575) 397-9334 no later than 4:30 p.m. on the day of the meeting, June 6, 2022.

Mr. Kelly Matthews of Academic Foundations 365 addressed several comments to the Commission about his organization. He stated Academic Foundations 365 seeks to provide today's at-risk youth and at-risk adults the academic, vocational, and fundamental literacy skills necessary to meet the demands of a 21st century workforce, underpinning these skills with continuing education studies in literacy development, life skills, employability skills, and studies in the family and community reentry process. He stated a dinner and fundraiser will be held on July 11, 2022, at the Center for the Arts, and he can be reached by email at academicfoundations365@gmail.com.

Ms. Theresa Walker of the Lovely Ladies Association requested assistance from the City Commission regarding a fence and beautification in the area of 1420 East Humble to protect a memorial site. Mayor Cobb requested that Ms. Walker speak with Mr. Manny Gomez, City Manager, regarding the issue and history surrounding the property.

Commissioner Fields stated he was also contacted by Mr. Walker about the property and a previous agreement between the City and Lovely Ladies Association.

Mr. Manny Gomez, City Manager, stated he is not sure if an agreement exists between the parties but he will meet with Ms. Walker to discuss the matter.

Ms. Wanda Bell thanked Ms. Tanya Sanchez, Community Services Coordinator, for her help with the community clean ups. She stated the clean ups are proving beneficial, and she displayed photographs of a vacant lot in the area of 8th and Main Streets which several people helped clean. Ms. Bell stated some large tree branches and debris remain which needs to be cleared with the use of some heavy equipment. She requested the City's assistance with clearing the remainder of the lot.

Mayor Cobb expressed appreciation to Ms. Bell and stated the City will continue to work with her on these matters.

Ms. Bell further expressed concern regarding some recent fires and possible drug activity on Humble Street.

Commissioner Fields stated there was some miscommunication as a scheduled clean-up was held on May 14, 2022, in the area of the Hobbs Apartments and dumpsters were scheduled to be placed at a different location on a different date. He commended Capt. Blevins and the Code Enforcement Department for their hard work and issuance of 21 warnings and two citations in the area of Humble and 8th Street.

Mr. Nick Maxwell submitted a written public comment to the City Clerk's Office regarding support of Resolution No. 7211 on the agenda which was read aloud by Ms. Jan Fletcher, City Clerk. A copy of the written comment is attached to these minutes.

Consent Agenda

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

Commissioner Calderón moved for approval of the following Consent Agenda items:

Consideration of Bid No. 1593-22 for the Manhole Rehabilitation Project and Recommendation to Reject All Bids

There being no discussion, Commissioner Smith seconded the motion and the vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and supporting documentation are attached and made a part of these minutes.

Discussion

Waste Management Rate Adjustment Effective July 1, 2022

Mr. Tim Woomer, Utilities Director, reminded the Commission that the City entered into a new contract with Waste Management in 2019 and the terms of the contract provide for an automatic CPI increase. The City has received notice from Waste Management, based upon 2021 data, that a 3.6% CPI increase is warranted. Mr. Woomer reviewed the rate charges and stated residential customers with one polycart can expect to see an increase of \$0.89 per month. With the existing rate at \$24.51, the new rate with the CPI increase would be \$24.50 per month.

Mr. Woomer also stated the City's water and sewer rates are subject to the same 3.6% CPI increase which will be applied to residential customers on July 1, 2022. He stated the average monthly user will see a \$1.67 per month increase. Some customers with lower-than-average usage will see a lower increase and others may see higher increases depending upon their monthly water consumption.

Mr. Woomer reminded the Commission that the Low Income Home Energy Assistance Program (LIHEAP) is available and assists eligible persons and families with their utility costs. Under the program, a \$10.00 discount is available for water service, a \$10.00 discount is available for sewer service and a \$15.00 discount is available for garbage service for a total available discount of \$35.00.

In response to Commissioner Mills' question, Mr. Woomer stated the garbage cost increase is a direct pass through. Mr. Toby Spears, Finance Director, stated this equates to an additional amount to be paid to Waste Management of approximately \$267,000.00.

In response to Commissioner Fields' question, Mr. Woomer stated an enterprise fund is a separate accounting and financial reporting mechanism for which revenues and expenditures are segregated into a fund with financial statements separate from all other governmental activities.

Mayor Cobb stated the City wants to be fair on the rates to consumers but emphasized the importance of taking care of the infrastructure needed to operate the systems as we go along rather than having to borrow large sums of money to cover capital costs. Mayor Cobb stated the City, by ordinance, can take action not to impose the CPI increase.

Commissioner Fields stated it is important for the taxpayers to understand the increase and why.

Mr. Woomer stated it is definitely attributed to inflation and will be used for future capital expenses and to keep up with the growth of the community.

Mayor Cobb stated the existing Wastewater Treatment Facility can accommodate 65,000 residents.

In response to Commissioner Penick's question, Mr. Woomer stated the loans are paid through the Enterprise Fund with an Environmental Tax assessed years ago. Currently, the debt service is about \$2.5 million.

Action Items

Resolution No. 7204 – Authorizing FY 22-23 Funding Appropriations for the Hobbs Chamber of Commerce and Hobbs Hispano Chamber of Commerce

Mayor Cobb stated funding is recommended for FY 22-23 to the Hobbs Chamber of Commerce in the amount of \$75,000.00 and to the Hobbs Hispano Chamber of Commerce in the amount of \$64,000.00.

Following some brief discussion, it was clarified that the proposed funding amounts are the same as awarded in FY 21-22. Commissioner Smith moved that Resolution No. 7204 be adopted as presented. Commissioner Mills seconded the motion and the vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and supporting documentation are attached and made a part of these minutes.

Resolution No. 7205 – Authorizing FY 22-23 Funding Appropriations for Social Services Agencies

Mayor Cobb stated a committee has received the funding requests for the various Social Services agencies. A total of \$510,000.00 in requests were received; however, the City's ordinance limits funding to \$400,000.00 which has been recommended for allocation as specified in the resolution.

There being no discussion, Commissioner Penick moved that Resolution No. 7205 be adopted as presented. Commissioner Gerth seconded the motion and the vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and supporting documentation are attached and made a part of these minutes.

Resolution No. 7206 – Adopting Budgetary Adjustment #4 for FY 21-22

Mr. Toby Spears, Finance Director, explained Budgetary Adjustment #4 for FY 21-22 and stated it becomes necessary to adjust the budget from time to time due to items not contemplated at the time it is prepared. He stated the main reason for the budget adjustment is related to exorbitant health insurance claims over the last six months.

Ms. Deb Corral, Assistant Finance Director, reviewed the specific details of the budget adjustment. She stated total revenue is being increased by \$1,262,993.00 and total expense is being increased by \$4,200,646.00. As Mr. Spears explained, the largest part of the expense increase is due to health care. A total of \$2.6 million is attributed to employee coverage and \$600,000.00 is for retirees. Claims have been running about \$440,000.00 per month but have now increased to an average of about \$636,000.00 per month. Ms. Corral reviewed some of the other expense detail contained in the budget adjustment.

Mayor Cobb stated utility costs are up as well as the insurance costs.

Ms. Corral stated the City's General Fund cash reserve will decrease from 49% to 48% and also includes inter-fund cash transfers.

Mayor Cobb stated the City will continue to closely monitor these financial situations and conserve spending wherever possible.

Commissioner Smith expressed appreciation to Ms. Corral, Mr. Spears and Mr. Nicholas Goulet, Human Resources Director, for educating him on the City's self-insured insurance plan. He stated the plan cost moves up and down over the course of the City's fiscal year as well as the insurance calendar year. With stop loss gap measures, the City should hopefully recoup some of the expenses paid.

There being no further discussion, Commissioner Smith moved that Resolution No. 7206 be adopted as presented. Commissioner Penick seconded the motion and the vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and supporting documentation are attached and made a part of these minutes.

Resolution No. 7207 – Authorizing a Memorandum of Understanding with the University of the Southwest for Use of the University's Kitchen for the City of Hobbs Senior Center

Mr. Doug McDaniel, Recreation Director, explained the resolution and stated the City and University seek to enter into an agreement wherein the City utilizes the University's kitchen for Great Western Dining to prepare meal services for the City of Hobbs Senior Center. He stated the City will pay the University \$1,000.00 per month as a usage fee to offset maintenance and operational expenses incurred by the daily operation of the kitchen.

Mayor Cobb stated the City greatly appreciates the partnership of the University of the Southwest.

There being no further discussion, Commissioner Fields moved that Resolution No. 7207 be adopted as presented. Commissioner Gerth seconded the motion. Commissioner Smith stated he will abstain from voting on this item due to a potential conflict of interest

as his wife is employed at the University of the Southwest. The vote was recorded as follows: Smith abstain, Mills yes, Fields 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. 7208 – Approving a Proposed Collective Bargaining Agreement with the Hobbs Professional Firefighters Association, Local 4384

Ms. Valerie Chacon, Deputy City Attorney, stated the City and the Hobbs Professional Firefighters Association desire to enter into a Collective Bargaining Agreement (CBA). The current agreement is set to expire June 30, 2022, and the parties have finalized negotiations. Ms. Chacon explained the provisions of the CBA which is for a term of three years ending June of 2025. The Union will receive a 4% salary increase during Year 1; a 3% salary increase during Year 2; and a 3% salary increase in Year 3. The minimums, midpoints and maximums for each union classification will increase by 3% each year. The Union will not be eligible for cost of living adjustments or merit increases in Year 1 but will be eligible for such increases in Year 2 and Year 3 if approved for all City employees.

Ms. Chacon thanked the members of the fire negotiation team for their professionalism and cooperative spirit during their off duty long hours spent at the bargaining table after a long night's shift without any sleep.

There being no discussion, Commissioner Penick moved that Resolution No. 7208 be adopted as presented. Commissioner Smith seconded the motion and the vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and supporting documentation are attached and made a part of these minutes.

Resolution No. 7209 – Authorizing a Municipal Arterial Program (MAP) Cooperative Agreement with the NMDOT for Roadway Improvements at the Intersections of Dal Paso/Clinton and Dal Paso/Snyder

Mr. Todd Randall, City Engineer, stated a grant application was submitted for MAP funding and the City received notice of award of \$635,000.00 for the project on May 23, 2022. He explained the funds will be used for roadway improvements at the intersections of Dal Paso/Clinton and Dal Paso/Snyder. Improvements would include the construction of traffic signal poles, mast arms and geometric improvements to the intersection. Mr. Randall stated the City's portion of the project cost is \$158,750.00 and the State's portion is \$476,250.00.

There being no discussion, Commissioner Penick moved that Resolution No. 7208 be adopted as presented. Commissioner Smith seconded the motion and the vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth

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

Resolution No. 7210 – Designating Persons as Qualified as an Acting Municipal Judge and Setting Forth Compensation

Municipal Judge Bobby Arther stated Section 2.12.050 of the Hobbs Municipal Code requires that a list of persons be prepared annually designated by the City Commission as qualified to be Acting Municipal Judge. He stated Mr. Brian Belyeu has completed a training program and is willing to be placed on said list and serve as Acting Municipal Judge. He has served in this capacity in previous years and is willing to continue. Judge Arther stated Section 2.12.050 provides the compensation for Acting Municipal Judge be set by resolution at the time the list is prepared. This resolution would place Mr. Brian Belyeu on the list of persons designated as qualified to be Acting Municipal judge and set the compensation at a rate of \$200.00 per day not to exceed \$20,000.00. This is an increase from the current rate of \$150.00 per day.

Mayor Cobb thanked Judge Arther for his great work at the Municipal Court.

There being no discussion, Commissioner Gerth moved that Resolution No. 7210 be adopted as presented. Commissioner Mills seconded the motion and the vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and supporting documentation are attached and made a part of these minutes.

Resolution No. 7211 – Rescinding Police Recruiting and Retention Resolution No. 6667 and 7119

Police Chief August Fons explained the resolution and stated since 2015, the Hobbs Police Department has offered a hiring incentive upon obtaining employment and fulfilling requirements set in the incentive agreement(s) to enhance recruitment and retention. During this time, a total of eighty-nine (89) officers have participated in the incentive program (\$30,000 payout over the course of either five or six years).

Chief Fons stated of the 89 officers that have participated in the incentive program, 36 officers are currently still with the agency continuing to receive their annual retention incentive. He stated this is a retention success rate of 40%. Conversely, 53 of those officers are no longer with the agency resulting in a retention failure rate of 60%. Based on these results over the past seven years, Chief Fons stated he does not believe the funding expended and committed to recruiting and retention in this incentive program have achieved the desired results. He stated this funding would be better spent on high-quality training, equipment and support services which every officer requests and needs for the duration of their career. Professional and well-funded departments attract officers much more than temporary pay incentives. Chief Fons stated an argument could be made that

once the incentives end, the motivation to stay may also decrease. He requested to rescind the police officer hiring incentive Resolution No. 6667.

In response to Commissioner Smith's inquiry, Chief Fons clarified that the City would contractually continue to pay the officers who have existing incentive agreements.

There being no discussion, Commissioner Mills moved that Resolution No. 7211 be adopted as presented. Commissioner Penick seconded the motion and the vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and supporting documentation are attached and made a part of these minutes.

COMMENTS BY CITY COMMISSIONERS, CITY MANAGER

Mr. Manny Gomez, City Manager, announced there would be a work session on Monday, June 13, 2022, to continue discussion of the Local Economic Development Strategic Plan. He also stated a special meeting/public hearing will be needed regarding the drought and fireworks restrictions.

In response to Commissioner Smith's question, Fire Chief Barry Young stated the drought map has not been updated yet. Mayor Cobb stated it is likely the amount of rainfall we did receive, coupled with the very high temperatures, has created additional growth and fuel for fires.

Mr. Gomez stated on March 10, 2022, the City distributed a press release regarding an outbreak of distemper at the Hobbs Animal Adoption Center. He requested Capt. Blevins of the Hobbs Police Department and Ms. Missy Funk of the Hobbs Animal Adoption Center to provide an update to the Commission on this situation.

Ms. Funk stated once the outbreak of distemper was discovered, a plan was created throughout the remainder of March and April to conduct testing to determine the extent of the outbreak along with decreasing the population and reducing the number of animals at the facility. In May 2022, a grant was received from Florida which helped to clear the distemper from the facility by not bringing in more animals to re-infect those who were not infected. Instead of having an open admission policy, the facility is working to do more of a managed intake by scheduling surrenders and holding strays before mixing them with the general population of animals.

In response to Commissioner Penick's question, Ms. Funk stated the facility is not fully open yet as they are accepting animals through the managed intake process. In addition, they are looking at training to learn how to better serve the community and educate the public about using this process.

A discussion was held on use of the side cage for dropping off animals. Ms. Funk assured the Commission that the animals in the outside cages are cared for and fed twice per day. She stated the distemper outbreak has been very difficult for staff and emotionally draining. Ms. Funk stated free adoptions are currently underway with events being held outside of the facility at Zia Park and Pet Sense.

Captain Blevins stated oversight of the Hobbs Animal Adoption Center is new to him but progress has been made in protecting the animals from getting sick. He thanked Senator Kernan for the funding provided to help upgrade the facility.

In response to Commissioner Penick's question, Ms. Funk stated citizens are encouraged to contact the Animal Adoption Center about strays and officers will attempt to determine the owner. She emphasized it is not safe to bring strays into the adoption center yet. Ms. Funk stated pet owners who wish to surrender their pets should get them vaccinated first and hold them for 14 days before navigating through the admission process.

Captain Blevins stated a free microchip event will be held on July 16, 2022. He stated having pets chipped and wearing of collars and tags definitely helps when strays are located to reunite them with their owners.

Mr. Gomez thanked Senator Kernan for the \$200,000.00 in Legislative Funding provided to the City. He also thanked Capt. Blevins and Ms. Funk for their presentation.

Commissioner Penick commented the Veterans Memorial Dedication Ceremony was an awesome event with approximately 500 – 600 people in attendance. He stated it was a great day for the Veterans, and he expressed appreciation to all of the staff who coordinated the event.

Commissioner Fields thanked Capt. Blevins for allowing him to ride along with him on some of the Code Enforcement issues. He thanked all of the Code Enforcement Officers for their hard work and efforts.

Commissioner Fields stated he has received some recent calls of complaint regarding a very bad smell in the Leech Street area.

Commissioner Mills thanked City Staff for coordinating the Veterans Memorial Dedication Ceremony. He stated all of the Veterans were very appreciative of the hard work and efforts put forth in making that day a reality.

Commissioner Gerth stated a District 6 trash clean-up will be held on Saturday, June 11, 2022, from 8:00 a.m. to noon. Interested volunteers should meet at French Drive and Sanger at 8:00 a.m. He stated permission has been obtained from Oxy to clean both sides of the fence line.

Mayor Cobb thanked everyone for their attendance. He stated interim Legislative committee meetings have been scheduled for next week regarding possible changes on HB6. He is also working on a possible use to repurpose the old Lea Regional Hospital facility.

Adjournment

There being no further business or comments, Commissioner Calderón moved that the meeting adjourn. Commissioner Fields seconded the motion and the vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. The meeting adjourned at 7:35 p.m.

SAM D. COBB, Mayor

ATTEST:

MOLLIE MALDONADO, Deputy City Clerk

Minutes of the special meeting of the Hobbs City Commission held on Monday, June 13, 2022, at 4:30 p.m. in the City Commission Chamber, 200 East Broadway, 1st Floor Annex, Hobbs, New Mexico. This meeting was also viewable to the public via Livestream on the City's website at www.hobbsnm.org.

Call to Order and Roll Call

Mayor Cobb called the special meeting to order at 4:30 p.m. and welcomed everyone in attendance. The City Clerk called the roll and the following answered present:

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

Also present:

Manny Gomez, City Manager
Efren Cortez, City Attorney
August Fons, Police Chief
Barry Young, Fire Chief
Shawn Williams, Fire Marshal
Kevin Shearer, Battalion Chief
Adam Marinovich, Fire Inspector
Toby Spears, Finance Director
Meghan Mooney, Communications Director
Shelia Baker, General Services Director
Doug McDaniel, Recreation Director
Ron Roberts, Information Technology Director
Christa Belyeu, Assistant Information Technology Director
Julie Nymeyer, Administrative Assistant
Mollie Maldonado, Deputy City Clerk
Jan Fletcher, City Clerk
3 citizens

Invocation and Pledge of Allegiance

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

Public Comments

Mayor Cobb stated due to COVID-19, public comments may be submitted in person or in writing. Written comments should be submitted to the City Clerk at jfletcher@hobbsnm.org or faxed to (575) 397-9334 no later than 4:00 p.m. on the day of the meeting, June 13, 2022. There were no public comments.

Action Items

PUBLIC HEARING: Resolution No. 7212 – Proclaiming Extreme Drought Conditions Exist Within Hobbs, New Mexico, Requiring the Need to Restrict the Sale and Use of Fireworks

On May 16, 2022, the governing body of the City of Hobbs issued a proclamation indicating exceptional drought conditions exist and the need to restrict the sale and use of fireworks pursuant to the New Mexico Fireworks Licensing and Safety Act, NMSA 1978, § 60-2C-1. The latest drought indices published by the National Weather Service show extreme drought conditions existing for Hobbs with monthly and seasonal precipitation outlooks showing below normal probabilities. The seasonal drought outlook, according to the National Weather Service Climate Prediction Center, for the dates of June 1 – August 31, 2022, shows persistent drought conditions will remain in place.

The governing body is able to hold a hearing to determine if fireworks restrictions should be imposed within the boundaries of the municipality affected by extreme or severe drought conditions following the issuance of the proclamation on May 16, 2022.

Mr. Efren Cortez, City Attorney, stated a public hearing will be held to determine if there should be further fireworks restrictions in Hobbs. He stated a hearing is a pre-requisite to implementation of further restrictions. Mr. Cortez stated he will call two witnesses to present testimony, Fire Chief Barry Young and Fire Marshal Shawn Williams. After the testimony, the Commission may also ask questions of the witnesses.

The first witness called to testify was Fire Chief Barry Young who was sworn in by Ms. Jan Fletcher, City Clerk.

In response to questions and answers by Mr. Cortez, Chief Young stated the latest drought indices map reviewed on June 9, 2022, indicated Lea County is in D3 or extreme drought conditions with some of the County being in D4, exceptional drought conditions. Chief Young stated D3, extreme drought conditions, means high temperatures, low precipitation and dried out vegetation. Chief Young expressed concerns relative to the use of fireworks during these extreme drought conditions. He stated the fuel load within the response area in the City of Hobbs is ripe for fires. Chief Young further stated the tall grass, tall fuels, dry conditions, high heat and low humidity are a fire risk each and every day. He added the conditions are like a tinder box and any little spark, any little fire, with the winds Hobbs is experiencing, could potentially cause catastrophic conditions. Since January 1st of this year, there have been 195 grass fires in Lea County and approximately 34,000 acres have burned. In further response to Mr. Cortez' questions, Chief Young stated this number is above average.

After the lengthy discussion, Chief Young stated the only thing he asks of the community is to take caution when using fireworks as conditions are ripe for fires. With high temperatures and very little precipitation and no outlook for precipitation, the drought conditions will continue. He expressed his hope that everyone will recognize the drought conditions and be cautious with their outdoor activities. Chief Young stated the City's intent is not to take away anyone's holiday or ban every firework but to look out for the safety, health and welfare of the community.

During the testimony of Chief Young, the following exhibits were entered into the record:

- Exhibit 1 – U. S. Drought Monitor Map for New Mexico
- Exhibit 2 – Total Precipitation January 1 – June 11, 2022
- Exhibit 3 – Precipitation Departure from Average January 1 – June 11, 2022
- Exhibit 4 – Monthly Precipitation Outlook for June, 2022
- Exhibit 5 – Seasonal Precipitation Outlook for June – August, 2022
- Exhibit 6 – U. S. Seasonal Drought Outlook for June 1 – August 31, 2022

In response to Commissioner Fields' question, Chief Young stated the map showing the D3 condition was released last Thursday and another map will be issued this week. Chief Young stated he would not be surprised if the area did not return to exceptional drought conditions with the triple digit heat temperatures and no precipitation.

In response to Commissioner Mills' questions, Chief Young stated the request before the Commission is to re-issue the drought proclamation for another 30 days and continue the prohibition on the sale and use of certain fireworks.

A lengthy discussion was held on the number of fireworks stands in Hobbs, the number of fireworks stands in the close County island areas, the concern for restricting sales and impacting business and/or causing closure of those fireworks stands.

Commissioner Mills stated he has viewed fireworks from his home area and also watched firetrucks and ambulances cruising through the neighborhoods being unable to catch anyone lighting fireworks. He questioned whether the Commission's action would really make any difference.

Chief Young stated the City would continue to have its firework patrol as there are laws and rules that must be followed. He stated fire officials must visually observe the act of lighting fireworks and it is difficult work but the Hobbs Fire Department will continue to reinforce the existing City ordinance.

Commissioner Mills stated the ordinance only affects law-abiding citizens.

In response to Mayor Cobb's question regarding the sale of fireworks in the County, Chief Young stated there is no restriction on sales. Within the City boundaries, the City restricts the sale of aerials and audible fireworks such as firecrackers, etc. Chief Young stated he spoke with the County last week.

In further response to questions from Mayor Cobb, Mr. Cortez explained the County's resolution which includes a burn ban. Mayor Cobb stated his pasture and ranch land have seen increased vegetation growth due to the 100+ temperatures creating additional fuel.

Commissioner Penick stated there is definitely more fuel in the area than he has seen in the past and the City's first obligation should be the health and safety of its residents. If the City bans fireworks here, residents will just buy it from the County. Chief Young clarified that the fireworks stands within the City's boundaries already have limitations on the type of fireworks that can be sold.

At this time, Fire Marshal Shawn Williams was sworn in to testify.

In response to questions by Mr. Cortez, Fire Marshal Williams displayed five photographs of the area at the Hobbs Industrial Air Park and behind the Zia Crossing Subdivision and Zia Park Casino. These photographs were entered into the record as Exhibit 7. Fire Marshal Williams expressed concern with the high winds which could easily spark a fire. He stated all that is needed to start a fire is fuel, heat and oxygen. In further response to Mr. Cortez' question, Fire Marshal Williams stated the current conditions are conducive to fire.

In response to Commissioner Smith's question, Fire Marshal Williams stated the fireworks businesses within the City limits have not sold aerial or audible fireworks since about 2009. Commissioner Smith stated it sends a mixed message to allow the sale but not the use of fireworks.

Fire Marshal Williams stated there has been a predicament with the sale of fireworks in the City and in the County for the past seven years. During the July 4th Holiday, he receives calls from police dispatch about fireworks issues, disputes between neighbors, disturbances to dogs, disturbances to Veterans, use of fireworks during late night hours and extended days of fireworks use.

Commissioner Penick agreed and stated in reality, it is the neighbors who suffer. He commented the use of fireworks occurs two weeks before the July 4th Holiday and continues two weeks after. As a Veteran himself, he stated the loud booms can be very disturbing. Commissioner Penick stated while he does not want to infringe upon the freedom of the citizens, it has become a very difficult issue to handle.

Fire Marshal Williams stated there are approximately four fireworks stands within the City boundaries and all stands, even those in the County, are inspected by the State Fire Marshal, County Fire Official and City Fire Marshal.

Mr. Cortez reviewed the language contained in State Statute NMSA §60-2C-8.1 regarding extreme or severe drought condition and fireworks. He explained the aerials and missile type of fireworks are already banned by the City's existing ordinance. The action before the Commission is to restrict the use to areas that are paved or barren or have a readily accessible source of water for use by the homeowner or the general public. He stated the municipality can have its public display or the Commission can approve the resolution and ban the City display or adopt an exception to allow for the public display. Mr. Cortez stated the Commission can reject the resolution altogether. He suggested that while it is a quagmire with the sale of other fireworks in the County, the City Commission is charged with the duty to protect the health, safety and welfare of its citizens. The City cannot control the actions of the County or whether people choose to disobey the law.

A lengthy discussion was held on the use of safe zones and educating the public on the dangers of using fireworks in these dry conditions. Commissioner Mills stated the use of fireworks will not likely change and taking any additional action will only cause more stress on the enforcement staff.

Commissioner Gerth stated if the City can stop even one fire from spreading out of control, the City would be better off adopting the measure.

Commissioner Smith again noted that banning the sale and not banning the use is a confusing message.

Mr. Cortez stated enacting the resolution would limit the use of fireworks to paved areas and the Commission could direct staff to locate safe zones. He stated the safe zones were pretty well received last year; however, there was limited people due to rain.

Commissioner Penick commented that not everyone disobeys the law.

Commissioner Fields stated he favors the use of safe zones.

Commissioner Mills suggested that the City fireworks display should be moved into town rather than being held at the Air Park as it is hard to see from his home.

Chief Young stated a lot of work would be required to consider having safe zones at the Hobbs Industrial Air Park. He stated even hosting the public display is a concern due to the tall vegetation and especially if there is no measurable precipitation before then.

In response to Mayor Cobb's question, State law does not authorize or allow a municipality to issue a complete ban on the sale and use of fireworks. Mayor Cobb stated he believes it is incumbent upon the municipality to restrict the use.

Chief Young stated the City's existing ordinance only allows cones, fountains and sparkler type of fireworks.

There being no further discussion, Mayor Cobb requested a motion to adoption Resolution No. 7212 as presented. Commissioner Calderón moved to approve the resolution. The motion died for lack of a second.

Adjournment

There being no further business or comments, Commissioner Smith moved that the meeting adjourn. Commissioner Penick seconded the motion and the vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. The meeting adjourned at 5:35 p.m.

SAM D. COBB, Mayor

ATTEST:

MOLLIE MALDONADO, Deputy City Clerk

Minutes of the work session of the Hobbs City Commission held on Monday, June 13, 2022, in the City Commission Chamber, 200 East Broadway, 1st Floor Annex, Hobbs, New Mexico. The meeting was also viewable to the public via Livestream on the City's website at www.hobbsnm.org.

Mayor Cobb called the work session to order at 5:45 p.m. and welcomed everyone to the meeting. The City Clerk called the roll and the following answered present:

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

Also present were Mr. Manny Gomez, City Manager, Mr. Efren Cortez, City Attorney, Ms. Jan Fletcher, City Clerk, and Ms. Mollie Maldonado, Deputy City Clerk. Other staff members and public were also present.

Mayor Cobb stated the purpose of today's work session is to continue reviewing a draft of the proposed Hobbs Economic Development Strategic Plan.

Mr. Efren Cortez, City Attorney, stated he is here with Ms. Jennifer Grassham, Executive Director of the Economic Development Corporation of Lea County (EDC), to continue discussion of the proposed Economic Development Strategic Plan and Project Participation Agreement. The Commission discussed the first section of the Strategic Plan at a work session on May 23, 2022. He stated no formal decisions will be made during the work session, only a review of the plan and any suggested changes.

Mayor Cobb stated if the City is successful in getting any changes or relief related to HB6 gross receipts tax (GRT), he would like to see the plan revised or include specific language that would include recruitment for expansion of the oil and gas industry.

Mr. Cortez reviewed Section One, Economic Development Goals.

Commissioner Smith inquired if there are any requirements in the State Statute related to the list of target industries. He stated in Section 1.1, one of the key goals should be to increase revenue and GRT for the City. Mayor Cobb stated the language should be broad enough but not too specific.

Mr. Cortez stated the Commission in 2003 targeted the oil and gas industry. He agreed with Commissioner Smith a new goal could be added to increase GRT for the City.

Mr. Cortez reviewed the changes to Section Two, General Target Industry Criteria. There was no further discussion on this section.

In Section Three, Specifically Identified Target Industries, Mr. Cortez stated he had a lengthy discussion with Ms. Grassham on this section. In Section 3.1, any audit would look closely at this list of industries. A discussion was held that manufacturing, telecommunication and warehousing should be included in the list.

Commissioner Mills inquired if the order of the industry list is relevant as he did not feel the dairy industry should be first on the list. He suggested putting retail first, not dairy.

Mr. Cortez stated he had researched some of the other municipalities and Hobbs is ahead of the others in changing the plan since the change in State law. He highlighted the plan from the City of Clovis, shared by a colleague from Clovis, and its criteria is vastly different than that of Hobbs.

Ms. Grassham stated retention and expansion, in general, should be added to the list of industries.

Commissioner Mills suggested that large law firms might be interested in moving to Hobbs as many larger Texas firms usually rent an office space for the day to conduct business in Hobbs.

Commissioner Penick suggested adding the medical industry. Mr. Cortez stated health care sectors is already in the existing list in Paragraph C. Mayor Cobb stated diagnostic services would generate GRT. Commissioner Smith stated the new language created by HB6 carved out some exemptions related to GRT and professional services. Mr. Cortez stated he is not certain about the GRT on diagnostic services such as an MRI, for example.

Commissioner Gerth inquired about the benefit of distribution centers such as Lowe's, Sam's, etc. Mayor Cobb stated the only economic benefit would be job related but there is no point of sale.

Mr. Cortez suggested a change to Paragraph C to add information technology and professional service sectors.

Commissioner Smith stated large grocery stores would be considered retail. Someone suggested an "HEB"; however, Mayor Cobb stated they require a right-to-work which New Mexico does not have.

Ms. Grassham suggested revising Paragraph F to include data and I.T. services.

In response to Commissioner Smith's question, Mr. Cortez stated cultural facilities is one of the changes in the State law and would include museums, entertainment venues and exhibits with historical aspects.

Mr. Cortez moved to Section Four – Possible Community Assistance.

Mayor Cobb stated Paragraph A should include private non-profit organizations such as the Foundations who provide economic development initiatives.

Mr. Cortez stated the City did not enact a tax for this initiative. He explained the assistance under this Act shall not exceed the expenditures of monies exceeding 10% of the City's General Fund budgeted expenditures in any one year.

In Section Five, Criteria for Community Assistance, Mr. Cortez stated this section would need some work.

In Paragraph B regarding the evidence of financial solvency, Commissioner Smith stated a brand new start-up company may not have audited financial statements. He suggested adding language to provide such financial statements if the company has a previous business history. He further suggested removing the requirement for personal financial statements of the principals. Commissioner Smith also suggested adding a requirement to provide other information deemed pertinent to the City as similar to Paragraph D.

Mr. Cortez stated the EDC would be reviewing and grading the applications. Ms. Grassham stated she has worked with the State incentive programs and many companies hold their proprietary information very quiet.

In response to Mayor Cobb's question, Mr. Cortez stated he would check the State requirements on information requirements.

In discussing the cost benefit analysis, Mr. Cortez emphasized the importance of treating all business applicants the same.

Mr. Cortez reviewed the content of Section Six, Review Criteria for Applications.

In Section Seven, Project Participation Agreement, Mr. Cortez stated this is a contractual obligation which sets forth the requirements and obligations of the parties. It defines specific measurable objectives and a schedule for project development and goal attainment. He stated it will outline the security being offered for the City's investment such as a mortgage on real property or equipment.

In response to Commissioner Smith's question, Mr. Cortez stated any project requires security which is also a requirement of State Statute.

A lengthy discussion was held on liens, bankruptcy and superiority of municipal liens.

Mr. Cortez briefly reviewed Section Eight, Investment Protection, and Section Nine, Project Termination.

Mr. Cortez stated at the next meeting, he will have a proposed final draft of the Economic Development Strategic Plan for consideration by the Commission.

Mr. Cortez presented a draft copy of the Project Participation Agreement which is very detailed and outlines the risk of both parties. He stated this sample agreement came from the City of Albuquerque.

Mr. Cortez concluded his presentation and stated he will have more work done on these documents by the next work session.

There being no further discussion, Mayor adjourned the work session at 6:30 p.m.

SAM D. COBB, Mayor

ATTEST:

MOLLIE MALDONADO, Deputy City Clerk

PROCLAMATIONS

AND

**AWARDS OF
MERIT**

June Milestones 2022

5 years

Katerina Gill	Older Americans Fund	06/19/2017
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10 years

Martin Gutierrez	Water Distribution	06/20/2012
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Jessica Jimenez	Eagle	06/18/2012
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15 years

Mark Munro	Police Criminal Investigations	06/12/2007
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Terry Sprouse	Streets/Highways	06/26/2007
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20 years

Debra Lewis	Water Office	06/05/2002
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Gary Rohloff	Streets/ Highways	06/03/2002
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Barry Young	Fire/ Ambulance	06/24/2002
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CONSENT AGENDA



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 21, 2022

SUBJECT: A RESOLUTION AUTHORIZING THE CITY MANAGER'S LITIGATION AUTHORITY

DEPT. OF ORIGIN: City Attorney
DATE SUBMITTED: June 15, 2022
SUBMITTED BY: Efren A. Cortez, City Attorney

Summary: Pursuant to the City of Hobbs Charter Section 6-2(E), the City Manager is the responsible person for the purposes of civil process. Additionally, the City Manager receives regular briefings regarding claims made against the City of Hobbs and is aware of such claims as well as the risks associated with said claims. At various times in any litigation, the City of Hobbs City Attorney's Office requires an authorized agent of the organization, as a representative of the client, to make litigation decisions for the client. These litigation decisions include decisions and authority to settle claims, among other decisions. This resolution also requires the City Manager to keep the City Commission apprised of any decisions that have a fiscal impact on the organization. As a counterbalance to the City Manager's authority as set forth in this Resolution, it is in the best interest of the organization that the Mayor provide advice and consent to the City Manager's litigation decisions. This Resolution shall be valid and enforceable from July 1, 2022, through June 30, 2023 (FY22-23).

Fiscal Impact:

Reviewed By: [Signature]
Finance Department

There is no direct fiscal impact associated with this Resolution.

Attachments:

Proposed Resolution

Legal Review:

Approved As To Form: [Signature]
City Attorney

Recommendation:

The Commission should consider approval of the Resolution.

Approved For Submittal By:

[Signature]

Department Director

City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

Resolution No.
Ordinance No.
Approved
Other

Continued To:
Referred To:
Denied
File No.

CITY OF HOBBS

RESOLUTION NO. 7213

A RESOLUTION AUTHORIZING THE CITY MANAGER'S
LITIGATION AUTHORITY FOR FY22-23

WHEREAS, the City of Hobbs Charter Section 6-2(E) states in pertinent part that the City Manager "shall...[b]e the person, or his designated agent, for the purposes of civil process...."; and

WHEREAS, the New Mexico Rules of Professional Conduct Rule 16-102 NMRA requires that the "client" shall authorize the lawyer to carry out the representation of the client and the lawyer shall abide by the client's decisions concerning the objectives of representation, including any decision to settle a matter; and

WHEREAS, the City Manager receives regular briefings from the City Attorney's Office regarding threatened or pending litigation and is otherwise in the best position to make timely and informed decisions on behalf of the organization; and

WHEREAS, to promote accountability and to counterbalance the City Manager's authority as set forth herein, it is in the best interest of the organization that the Mayor provide advice and consent to the City Manager's litigation decisions; and

WHEREAS, it is also in the best interest of the organization that the City Manager consistently inform the City Commission regarding litigation decisions made by the City Manager that may have a fiscal impact on the City of Hobbs; and

WHEREAS, pursuant to the Hobbs Municipal Code Section 3.20.035, contracts and expenditures in connection with court or administrative proceedings are exempt from the City's procurement policy.

NOW, THEREFORE BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the City Manager, with the advice and consent of the Mayor, is authorized to make litigation decisions on behalf of the City of Hobbs, as client, concerning the objectives of representation, including any decision to settle a matter. The City Manager shall maintain communication with the City Commission regarding litigation matters.

BE IT FURTHER RESOLVED that this Resolution shall be valid and enforceable from July 1, 2022, through June 30, 2023 (FY22-23), or unless rescinded or replaced by a subsequent resolution on the same subject prior to June 30, 2023, as contemplated by Article II(2)(C)(2)(b) of Section 2.04.060 of the Hobbs Municipal Code.

PASSED, ADOPTED AND APPROVED this 21st day of June, 2022.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk



ACTION ITEMS



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 21, 2022

SUBJECT: PUBLIC HEARING FOR ENFORCING/RESCINDING RESOLUTION NO. 7194 AS IT APPLIES TO THE CONDEMNED PROPERTY LOCATED AT 118 N. JEFFERSON, HOBBS, NM.

DEPT. OF ORIGIN: Legal Department
DATE SUBMITTED: June 14, 2022
SUBMITTED BY: Valerie S. Chacon, Deputy City Attorney

Summary: On May 2, 2022, the City Commission adopted Resolution No. 7194 finding the property located at 118 N. Jefferson, Hobbs, NM 88240 to be damaged, dilapidated and a menace to the public comfort, health and safety and requiring remediation. Property owner Nick Maestas, filed a written objection to the condemnation of said property. Pursuant to HMC Section 8.24.040 and NMSA 1978, § 3-18-5, a condemnation hearing is to be held by the Commission to determine if Resolution No. 7194, as it applies to the specific property, should be enforced or rescinded.

Fiscal Impact:

The remediation of this property will cost approximately \$3,180.32. The estimated amount fits within the Code Enforcement Department's FY 2022 budget for professional services.

Reviewed By: 
Finance Department

Attachments: Proposed Resolution; Resolution No. 7194; and Written Objection.

Legal Review:

Approved As To Form: 
City Attorney

Recommendation:

Adopted the Resolution to enforce or rescind Resolution 7194 as it relates to the property located at 118 N. Jefferson, Hobbs, New Mexico.

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. _____

Attachment A

	Address	Owner	Owner's Address	Estimated Cost of Demolition
1	118 N. Jefferson Hobbs, Lea County, NM *Lot Fourteen (14), Block Twenty-four (24), All Hobbs Addition to the City of Hobbs, Lea County, New Mexico as referenced on that certain Plat filed August 2, 1957.	Nick Maestas (Maestas Financial Services)	1031 Valerie Circle Santa Fe, NM, 87505	\$3,180.32

CITY OF HOBBS

RESOLUTION NO. 7214

A RESOLUTION ENFORCING/RESCINDING
RESOLUTION NO. 7194 AS IT APPLIES TO
THE PROPERTY AT 118 N. JEFFERSON, HOBBS NM 88240

WHEREAS, THIS Commission approved Resolution No. 7194 finding the structure at 118 N. Jefferson, Hobbs NM 88240, was ruined, damaged, and dilapidated, and a menace to the public comfort, health and safety and requires remediation;

WHEREAS, Nick Maestas timely filed a written objection; and

WHEREAS, THIS Commission has held a hearing on its Resolution; and

WHEREAS, THIS Commission has considered the evidence presented by Nick Maestas against its Resolution as well as the evidence presented in favor of the Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that its Resolution No. 7194 as it applies only to the property at 118 N. Jefferson, Hobbs NM 88240 should be, and hereby is enforced/rescinded.

PASSED, ADOPTED AND APPROVED this 21st day of June, 2022

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

CITY OF HOBBS

RESOLUTION NO. 7194

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

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

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

BE IT FURTHER RESOLVED that a copy of this Resolution be served on the owner, occupant or agent in charge of such premises; and that a copy of the same be published as required by law.

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

Attachment A

	Address	Owner	Owner's Address	Estimated Cost of Demolition
1	118 N. Jefferson Hobbs, Lea County, NM *Lot Fourteen (14), Block Twenty-four (24), All Hobbs Addition to the City of Hobbs, Lea County, New Mexico as referenced on that certain Plat filed August 2, 1957.	Nick Maestas (Maestas Financial Services)	1031 Valerie Circle Santa Fe, NM, 87505	\$3,180.32

NOTICE OF CONDEMNATION HEARING

Pursuant to Chapter 8.24.040 of the Hobbs Municipal Code, notice is hereby given that a hearing has been set before the Hobbs City Commission on **Tuesday, June 21, 2022, at 6:00 p.m.** in the City Commission Chamber, City Hall, 200 East Broadway, Hobbs, New Mexico, to consider all evidence for and against Resolution No. 7194 to determine if the resolution should be enforced or rescinded as to properties as to which written objections have been filed.

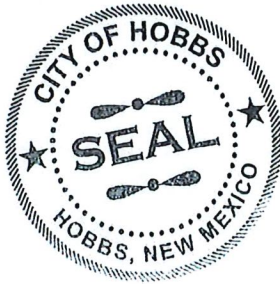
OWNER - MAILING ADDRESS

Nick Maestas
(Maestas Financial Services)
1016 Cerito Road
Anton Chico, NM 87711

PROPERTY ADDRESS

118 North Jefferson

DATED this 25th day of May, 2022.



CITY OF HOBBS, NEW MEXICO



JAN FLETCHER, City Clerk

I hereby certify that a copy of the foregoing Notice of Hearing was mailed to the property owner(s) at the mailing address listed above on this 25th day of May, 2022, via certified mail and sent via email to buyersol@aol.com.



JAN FLETCHER, City Clerk

U.S. Postal Service™	
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For delivery information, visit our website at www.usps.com ®.	
OFFICIAL USE	
Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage and Fees	\$
Sent To	Nick Maestas
Street	1016 Cerito Road
City, S	Anton Chico, NM 87711
Postmark Here MAY 25 2022 USPS	
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	

7021 2720 0000 3877 9124

**Condemned Structure
Objection Letter**

Date May 19, 2022

I, Alick Macestas, object to the condemnation at _____

118 N. Jefferson, Hobbs NM. I hereby certify that I am the owner,

____ occupant or ____ agent in charge of the premises.

I request a hearing on the condemnation of the above referenced property pursuant to 8.24.040 of the Hobbs Municipal Code (HMC).

OR

I understand that I am **waiving my right to a hearing on the condemnation** pursuant to 8.24.040 HMC. I intend to cooperate with the City of Hobbs to either remediate or remove this property pursuant to 8.24 HMC. I further understand that if I do not complete the remediation or removal within the time periods prescribed by 8.24.030 HMC, the City will proceed with abatement of the menace and I will be responsible for the costs incurred.

I plan to: Remove and clear lot
____ Renovate ____ Remodel ____ Demolish

Signature Alick Macestas

Address 1016 Cor. 176 Road

City, State, Zip Anton Chico NM 87711

Phone # (575) 512-7150

Witnessed by [Signature]

Clear/Reset



Acknowledgment by Individual

State of New Mexico County of San Miguel

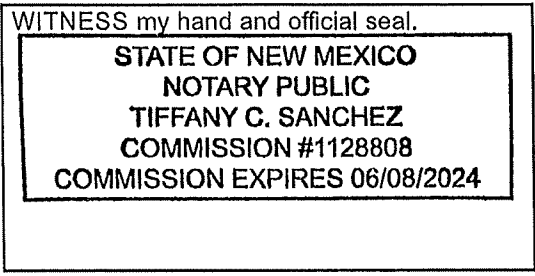
On this 14th day of May, 2022. Before me, Tiffany C Sanchez
Name of Notary Public

the undersigned Notary Public, personally appeared
Nicasio (nick) Maestas

Name of Signer(s)

- Proved to me on the oath of _____
- Personally known to me
- Proved to me on the basis of satisfactory evidence New Mexico drivers license [REDACTED]
(Description of ID)

to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged that he/she/they executed it.



Notary Seal

[Signature]
(Signature of Notary Public)

My commission expires 06/08/2024

Optional: A thumbprint is only needed if state statutes require a thumbprint.

Right Thumbprint of Signer

Top of thumb here

For Bank Purposes Only

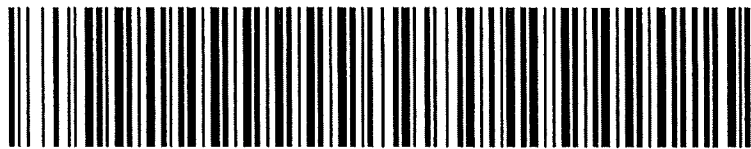
Description of Attached Document

Type or Title of Document
Condemned Structure Objection letter

Document Date 5/19/2022 Number of Pages 1

Signer(s) Other Than Named Above
N/A

Account Number (if applicable)
N/A



F001-00000DSG5350-01

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[app=UspsTools&ref=homepageBanner&appURL=https%3A%2F%2Finformeddelivery.usps.com/box/pages/intro/start.action](https://reg.usps.com/xsell?app=UspsTools&ref=homepageBanner&appURL=https%3A%2F%2Finformeddelivery.usps.com/box/pages/intro/start.action))

Tracking Number: 70212720000038779124

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Text & Email Updates



Tracking History



Reminder to Schedule Redelivery of your item

This is a reminder to arrange for redelivery of your item or your item will be returned to sender.

May 27, 2022, 12:02 pm

Notice Left (No Secure Location Available)

LAS VEGAS, NM 87701

May 26, 2022, 6:36 pm

Departed USPS Facility

ALBUQUERQUE, NM 87101

May 26, 2022, 10:58 am

Arrived at USPS Facility

ALBUQUERQUE, NM 87101

May 25, 2022, 11:41 pm

Departed USPS Regional Facility

LUBBOCK TX DISTRIBUTION CENTER

May 25, 2022, 10:12 pm

Arrived at USPS Regional Facility

LUBBOCK TX DISTRIBUTION CENTER

Jan Fletcher

From: Jan Fletcher
Sent: Wednesday, May 25, 2022 2:31 PM
To: 'Nick Maestas'
Cc: Jessica Silva; Rocio Ocano
Subject: RE: EXTERNAL: Re: Condemnation - 118 N. Jefferson
Attachments: condemnhrg40.pdf

Mr. Maestas,

Attached is a Notice of Condemnation Hearing scheduled for **Tuesday, June 21, 2022, at 6:00 p.m.** in the City Commission Chamber at City Hall, 200 East Broadway, Hobbs, New Mexico, regarding the property at 118 North Jefferson.

Respectfully,

Jan Fletcher, CMC

City Clerk | Public Transportation Director
City of Hobbs | 200 East Broadway
Hobbs, NM 88240 | (575) 397-9207 phone
jfletcher@hobbsnm.org

From: Nick Maestas [mailto:buyersol@aol.com]
Sent: Thursday, May 19, 2022 2:38 PM
To: Jan Fletcher <jfletcher@hobbsnm.org>
Subject: EXTERNAL: Re: Condemnation - 118 N. Jefferson

I am hereto attaching the Condemned Structure Objection Letter, please advise that you have received it.
Thanks
Nick

-----Original Message-----

From: Jan Fletcher <jfletcher@hobbsnm.org>
To: buyersol@aol.com <buyersol@aol.com>
Sent: Wed, May 18, 2022 4:33 pm
Subject: Condemnation - 118 N. Jefferson

Mr. Nick Maestas,

Attached is the Condemnation Objection Letter Form which you can fill out, sign and return to me. Please attach any of the corresponding documentation you may have related to this issue. A hearing date will be set to appear before the Hobbs City Commission to present your side of the case. I will notify you of the date once it is set.

Thank you.



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 21, 2022

SUBJECT: AWARD BID No 1594-22 AIR CONDITIONER FILTER REPLACEMENT SERVICES FOR THE CITY OF HOBBS

DEPT. OF ORIGIN: General Services Dept.

DATE SUBMITTED: 6-13-22

SUBMITTED BY: Shelia Baker, General Services Director

Summary:

Bids were opened at 2:00 PM on Tuesday, May 24, 2022 for the Air Conditioner Filter Replacement Services for the City of Hobbs. The contract consists of purchasing and replacing filters, including a visual inspection, replacement of belts and reporting additional work needed for thirty-four City owned building and facilities. The filters are to be replaced at a quarterly or six-week interval, depending on the location and as specified in the bid.

An advertisement was placed in the local newspaper, placed on the City of Hobbs website and was sent to plan rooms. There were eight companies on the plan holders list. One responsive bid was submitted.

Contractor	Total Price
Gary's Heating & Air Conditioning	\$76,000.00

The FY23 budget amount available for this project and other HVAC needs is \$175,000. It is the recommendation of the General Services Dept. that Bid No. 1594-22 for Air Conditioner Filter Replacement Services be awarded to Gary's Heating and Air Conditioning as the low bidder, in the amount of \$76,000.00 (not including tax).

Fiscal Impact:

Reviewed By:
Finance Department

Bid Amount: \$81,082.50 with NMGR
FY23 Budget: \$175,000 (\$125,000, \$35,000, \$15,000)
Budgeted Line Item: 010421-42520, 164016-42332, 634370-42537

Attachments: Bid Summary Sheet

Legal Review:

Approved As To Form:
City Attorney

Recommendation: Staff recommends awarding Bid No. 1594-22 to Gary's Heating & Air Conditioning

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
COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 21, 2022

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

DEPT. OF ORIGIN: Planning Division
DATE SUBMITTED: June 13, 2022
SUBMITTED BY: Kevin Robinson - Planning Department

Summary: ALJO, LLC has requested a Development Agreement concerning the development of single-family housing units located within the municipal boundaries. The developer proposes to produce market rate single-family units and is requesting infrastructure incentives of \$100,000.00.

Fiscal Impact:

Reviewed By: Deborah Corral
Finance Department

If approved funds to be encumbered in fund 010100-44901-00170 (single family housing) having a balance of \$722,321.00.

Attachments: Resolution and Development Agreement.

Legal Review:

Approved As To Form:
Efren A. Cortez
City Attorney

Recommendation:

Commission considers approval / denial of the attached Development Agreement.

Approved For Submittal By:

Kevin Robinson
Department Director

[Signature]
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. 7215

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

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

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

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

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

PASSED, ADOPTED AND APPROVED this 21st day of June, 2022.

Sam D. Cobb, Mayor

ATTEST:

Jan Fletcher, City Clerk

MARKET RATE SINGLE FAMILY DEVELOPMENT AGREEMENT

THIS AGREEMENT is entered into on this 21st day of June 2022 by and between the City Of Hobbs, New Mexico, a municipal corporation (hereinafter "City"); and ALJO, LLC, 3311 N. Grimes Street, Hobbs, NM 88240, (hereinafter "Developer") for the purpose of delivering Housing Developer Services to be provided to the City.

RECITALS:

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

** Developer has submitted a proposal to the City to deliver the required Market Rate Single Family Housing, to be produced within 365 days of ratification of this agreement, within the Municipal Boundaries.

** Any outstanding Development Agreements between the Developer and the City of Hobbs concerning the production of Market Rate Single Family 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 Market Rate Single Family Housing. 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.

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

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

Incentives are available for installed public municipal infrastructure only, providing compliance with:

- a. Incentive not to exceed per square footage basis:
 - i. \$5.00 per sq. ft. north of Sanger
 - ii. \$10.00 per sq. ft. south of Sanger
 - iii. Calculation based on living area only
- b. Incentive not to exceed per unit basis:
 - i. \$5,000.00 per single family unit
 - ii. \$2,500.00 per multi-family unit

- c. Incentive not to exceed fair share per linear foot of infrastructure basis:
 - i. \$90.00 per lineal front footage of complete public infrastructure, and further broken down as follows:
 - 1. **Water** (\$12.50 / lf):
 - a. Twelve dollars fifty cents (\$12.50) 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** (\$17.50 / lf):
 - a. Seventeen dollars fifty cents (\$17.50) 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** (\$45/ lf):
 - a. Forty five dollars (\$45) 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. Fifteen (\$15) 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 supporting 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 market rate single family housing unit. 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, as shown herein. Payment will not be made by the City for any unit until a certificate of occupancy is issued, based on this Agreement.

2) The total compensation to be paid to the Developer during the term of this Agreement shall not exceed One Hundred Thousand Dollars (\$100,000.00), unless the Agreement is amended by the City Commission.

3) City subsidy shall be paid when each individual single family unit is complete and certificate of occupancy is issued, provided the certificate of occupancy for the unit is issued after ratification of this agreement. Payment will be made within fifteen (15) days following a written request from the Developer and upon City inspection of project completion.

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

C. Construction Requirements.

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

D. Assignment of Agreement.

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

E. Insurance Requirements and Hold Harmless Provision.

1. Developer agrees to obtain and maintain appropriate insurance during the course of the development of market rate single family housing 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.

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 365 days from date of ratification whichever comes first. A request for infrastructure reimbursement, for a qualified unit produced within the terms of this agreement, received after the Termination Date of this agreement will not be eligible for payment.

L. Notice.

All notices given pursuant to or in connection with this Agreement shall be made in writing and posted by regular mail, postage prepaid, to the City, ATTN: City Attorney, 200 E. Broadway, Hobbs, NM 88240; to Developer ATTN and ALJO, LLC, 3311 N. Grimes Street, Hobbs, NM 88240 and to such other address as requested by either party. Notice shall be deemed to be received on the fifth day following posting.

M. Entire Agreement.

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

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

City of Hobbs

Developer

By: Sam D. Cobb, Mayor

By:

ATTEST:

APPROVED AS TO FORM:

JAN FLETCHER, City Clerk

Efren Cortez, City Attorney



CITY OF HOBBS

COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 21, 2022

SUBJECT: Local Government Road Fund (LGRF) Cooperative Agreement For Pedestrian Crosswalk Improvements

DEPT. OF ORIGIN: Engineering Department
DATE SUBMITTED: June 13, 2022
SUBMITTED BY: Todd Randall, City Engineer

Summary:

Pedestrian
A grant application for LGRF was submitted on March 15th, 2022. The City received a notice of award on May 26, 2022 and attached is the grant agreement for \$266,667 Project total (\$200,000 NMDOT / \$66,667 City Match) for planning, design, construction, reconstruction, drainage improvements, pavement, rehabilitation/improvements, blading, and shaping, conduits, traffic signal improvements, concrete and miscellaneous improvements. The intersection locations for scope of work include Marland Blvd. /Clinton St. and Bender Blvd. /Brazos Ave.

Design will be completed for both locations, although funding amounts will only result in the construction of one location. City Staff will contact HMS for possible joint funding of one or both locations.

Fiscal Impact:

Reviewed By: **Deborah Corral**
Finance Department

Digitally signed by Deborah Corral
DN: cn=Deborah Corral, o=City of Hobbs,
ou=Finance Department,
email=dcorral@hobbsnm.org, c=US
Date: 2022.06.13 10:21:41 -06'00'

Grant Amount: \$266,667
Local Match: \$66,667
State Match: \$200,000

Funds to be budgeted in Fund 48, which there are sufficient reserves for the grant match and contingencies (FY23 – Final Budget Process)

Attachments:

Resolution, Grant Agreement, Project Map

Legal Review:

Approved As To Form: **Efren A. Cortez**
City Attorney

Digitally signed by Efren A. Cortez
DN: cn=Efren A. Cortez, o=City of Hobbs,
ou=City Attorney's Office,
email=ecortez@hobbsnm.org, c=US
Date: 2022.06.13 11:46:29 -06'00'

Recommendation:

Consider and approve the Resolution for the Mayor to execute resolution and grant agreement

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. 7216

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A
GRANT AGREEMENT WITH THE STATE OF NEW MEXICO
DEPARTMENT OF TRANSPORTATION FOR CN: L200567

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the Mayor be and hereby is, authorized and directed to execute on behalf of the City of Hobbs a grant agreement with the State of New Mexico Department of Transportation for Control No. L200567; in the amount of **\$266,667 (75%/25% share)** and any certification or supporting documentation for the implementation of the grant agreement requirements. The scope of the work includes Planning, Design, Construction, Reconstruction, Pavement Rehabilitation, Construction Management, Drainage, Misc. Improvements and Traffic Signal Construction at the intersection of Marland Blvd. and Clinton St. and Bender Blvd. and Brazos Ave. A copy of the grant agreement is attached hereto and made a part hereof by reference.

PASSED, ADOPTED AND APPROVED this 21st day of June, 2022.

SAM D COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

Contract No. _____
Vendor No. 54339
Control No. L200567

**LOCAL GOVERNMENT ROAD FUND
COOPERATIVE AGREEMENT**

This Agreement is between the **New Mexico Department of Transportation** (Department) and City of Hobbs (Public Entity), collectively referred as the “parties.” This Agreement is effective as of the date of the last party to sign it on the signature page below.

Pursuant to NMSA 1978, Sections 67-3-28 and 67-3-28.2, and State Transportation Commission Policy No. 44, the parties agree as follows:

1. Purpose.

The purpose of this Agreement is to provide Local Government Road Funds to the Public Entity for the planning, design, construction, reconstruction, drainage improvements, pavement rehabilitation/improvements, blading, shaping, conduits, traffic signal improvements, concrete, and miscellaneous, as described in Control No. L200567, and the Public Entity’s resolution attached as **Exhibit C** (Project). The Project is a joint and coordinated effort for which the Department and the Public Entity each have authority or jurisdiction. This Agreement specifies and delineates the rights and duties of the parties.

2. Project Funding.

- a. For purpose stated above, the estimated total cost for the Project is Two hundred sixty six thousand six hundred sixty seven dollars (**\$266,667.00**) to be funded in proportional share by the parties as follows:

- 1. Department’s share shall be 75%: \$200,000

- planning, design, construction, reconstruction, drainage improvements, pavement rehabilitation/improvements, blading, shaping, conduits, traffic signal improvements, concrete, and miscellaneous

- 2. Public Entity’s required proportional matching share shall be 25%: 66,667

- 3. Total Project Cost: 266,667

- b. The Public Entity shall pay all Project costs, which exceed the total amount of Two hundred sixty six thousand six hundred sixty seven dollars (**\$266,667.00**).

- c. Any costs incurred by the Public Entity prior to this Agreement are not eligible for reimbursement and are not included in the amount listed in this Section 2.

3. The Department Shall:

Pay project funds as identified in Section 2, Paragraph a1, to the Public Entity in a single lump sum payment after:

- a. Receipt of a cover letter requesting funds;
- b. Receipt of a Notice of Award and Notice to Proceed;
- c. Verification of available Local Government Road Funds and Public Entity's local matching funds identified in Section 2, Paragraph a2; and
- d. All required documents must include Department Project and Control Number.

4. The Public Entity Shall:

- a. Act in the capacity of lead agency for the purpose as described in Section 1.
- b. Submit an estimate of the Project, including work to be performed and cost to the District Engineer within thirty (30) calendar days of execution of this Agreement, or as otherwise agreed to in writing by the parties.
- c. Be solely responsible for all local matching funds identified in Section 2. Certify that these matching funds have been appropriated, budget and approved for expenditure prior to execution of this Agreement.
- d. Pay all costs, perform/supply or contract for labor and material, for the purpose as described in Section 1 and the Project estimate approved by the District Engineer.
- e. Procure and award any contract in accordance with applicable procurement law, rules, regulations and ordinances.
- f. In accordance with project parameters, assume the lead planning and implementation role and sole responsibility for providing local matching funds; environmental, archaeological, utility clearances; railroad and Intelligent Transportation System (ITS) clearances; right-of-way acquisition; project development and design; and project construction and management.
- g. Cause all designs and plans to be performed under the direct supervision of a Registered New Mexico Professional Engineer, when applicable, as determined by the Department.
- h. Obtain all required written agreements or permits, when applicable, from all public and private entities.
- i. Allow the Department to inspect the Project to determine that the Project is being constructed in accordance with the provisions of this Agreement. Disclosures of any failure to meet such requirements and standards as determined by the Department, will result in termination, for default, including without limitation the Public Entity's costs for funding, labor, equipment and materials.
- j. Complete the project within eighteen (18) months of approval of funding by the State Transportation Commission.
- k. Within thirty (30) calendar days of completion, provide written certification that all work under this Agreement was performed in accordance with either the New Mexico Department of Transportation's Standard Specification, Current Edition; American Public Works Association (APWA) Specifications; Department approved Public Entity established Specifications; or Department Specifications established for Local Government Road Fund

projects, by submitting the **Project Certification of Design, Construction, and Cost form**, which is attached as Exhibit A.

- l. Within thirty (30) calendar days of completion, furnish the Department an **AS BUILT Summary of Costs and Quantities** form, which is attached as Exhibit B. The report should reflect the total cost of project as stated in **Project Certification of Design, Construction, and Cost form**.
- m. Failure to provide the **Project Certification of Design, Construction, and Cost form** and an **AS BUILT Summary of Costs and Quantities** report within thirty (30) calendar days of Project completion will be considered a material breach of this Agreement and Public Entity shall reimburse to the Department all funds disbursed in accordance with this Agreement.
- n. Upon completion, maintain all Public Entity facilities that were constructed or reconstructed under this Agreement.

5. Both Parties Agree:

- a. Upon termination of this Agreement any remaining property, materials, or equipment belonging to the Department will be accounted for and disposed of by the Public Entity as directed by the Department.
- b. Any unexpended or unencumbered balance from the Local Government Road Fund appropriated for this Project reverts to the Department. These balances, if any, must be reimbursed to the Department within thirty (30) calendar days of project completion or expiration of this Agreement, whichever occurs first.
- c. This Project is not being incorporated into the State Highway System and the Department is not assuming maintenance responsibility or liability.
- d. Pursuant to NMSA 1978, Section 67-3-28.2, Local Government Road Funds granted under this provision cannot be used by the Public Entity to meet a required match under any other program.
- e. The provisions of the Local Government Road Fund Project Handbook (Current Edition), are incorporated by reference and control the contractual rights and obligations of the parties unless in conflict with the specific terms expressed in this Agreement or any amendments.

6. Term.

This Agreement becomes effective upon signature of all Parties. The effective date is the date when the last party signed the Agreement on the signature page below. This Agreement terminates on December 31, 2023. In the event an extension to the term is needed, the Public Entity shall provide written notice along with detailed justification to the Department sixty (60) calendar days prior to the expiration date to ensure timely processing of an Amendment.

7. Termination.

- a. If the Public Entity fails to comply with any provision of this Agreement, the Department may terminate this Agreement, by providing thirty (30) calendar days written notice.
- b. The Department may terminate this Agreement if the funds identified in Section 2 have not been contractually committed within one year from the effective date of this agreement.

- c. If sufficient appropriations and authorizations are not made by the Legislature, this Agreement may terminate immediately upon written notice of the Department to the Public Entity.
- d. Neither party has any obligation after termination, except as stated in Sections 4n and 5.

8. Third Party Beneficiary.

It is not intended by any of the provisions of any part of this Agreement to create in the public or any member of the public a third party beneficiary or to authorize anyone not a party to the Agreement to maintain a suit(s) for wrongful death(s), bodily and/or personal injury(ies) to person(s), damage(s) to property(ies), and/or any other claim(s) whatsoever pursuant to the provisions of this Agreement.

9. Liability.

As between the Department and Public Entity, neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Agreement. Any liability incurred in connection with this Agreement is subject to the immunities and limitations of the New Mexico Tort Claims Act, NMSA 1978, Sections 41-4-1, *et seq.*, and any other applicable law.

10. Contractors Insurance Requirements.

The Public Entity shall require contractors and subcontractors hired for the Project to have a general liability insurance policy, with limits of liability of at least \$1,000,000 per occurrence. The Department is to be named as an additional insured on the contractors and subcontractor's policy and a certificate of insurance and endorsements listing the Department as an additional insured must be provided to the Department and it must state that coverage provided under the policy is primary over any other valid insurance.

To the fullest extent permitted by law, the Public Entity shall require the contractor and subcontractors to defend, indemnify and hold harmless the Department from and against any liability, claims, damages, losses or expenses (including but not limited to attorney's fees, court costs, and the cost of appellate proceedings) arising out of or resulting from the negligence, act, error, or omission of the contractor and subcontractor in the performance of the Project, or anyone directly or indirectly employed by the contractor or anyone for whose acts they are liable in the performance of the Project.

11. Scope of Agreement.

This Agreement incorporates all the agreements, covenants, and understandings between the parties concerning the subject matter. All such covenants, agreements, and understandings have been merged into this written Agreement. No prior agreement or understandings, verbal or otherwise, of the parties or their agents will be valid or enforceable unless included in this Agreement.

12. Terms of this Agreement.

The terms of this Agreement are lawful; performance of all duties and obligations must conform with and not contravene any state, local, or federal statutes, regulations, rules, or ordinances.

13. Legal Compliance.

The Public Entity shall comply with all applicable federal, state, local, and Department laws, regulations and policies in the performance of this Agreement, including, but not limited to laws governing civil rights, equal opportunity compliance, environmental issues, workplace safety, employer-employee relations and all other laws governing operations of the workplace. The Public Entity shall include the requirements of this Section 13 in each contract and subcontract at all tiers.

14. Equal Opportunity Compliance.

The parties agree 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 and rules and regulations, and executive orders of the Governor of the State of New Mexico, the parties agree to assure that no person in the United States will, on the grounds of race, color, national origin, ancestry, sex, sexual preference, age, disability, or other protected class, be excluded from employment with, or participation in, any program or activity performed under this Agreement. If the Public Entity is found to not be in compliance with these requirements during the term of this Agreement, the parties agree to take appropriate steps to correct these deficiencies, subject to Section 7 above.

15. Appropriations and Authorizations.

The terms of this Agreement are contingent upon sufficient appropriations and authorizations being made by the governing board of the Public Entity, the Legislature of New Mexico, or the Congress of the United States if federal funds are involved, for performance of the Agreement. If sufficient appropriations and authorizations are not made by the Public Entity, Legislature or the Congress of the United States if federal funds are involved, this Agreement will terminate upon written notice being given by one party to the other. The Department and Public Entity are expressly not committed to expenditure of any funds until such time as they are programmed, budgeted, encumbered, and approved for expenditure.

16. Accountability of Receipts and Disbursements.

There shall be strict accountability for all receipts and disbursements relating to this Agreement. The Public Entity shall maintain all records and documents relative to the Project for a minimum of five years after completion of the Project. The Public Entity shall furnish the Department and State Auditor, upon demand, any and all such records relevant to this Agreement. If documentation is insufficient to support an audit by customarily accepted accounting practices, the expense supported by such insufficient documentation must be reimbursed to the Department within thirty (30) calendar days. If an audit finding determines that specific funding was inappropriate or not related to the Project, the Public Entity shall reimburse that portion to the Department within thirty (30) calendar days of written notification.

17. Severability.

In the event that any portion of this Agreement is determined to be void, unconstitutional or otherwise unenforceable, the remainder of this Agreement will remain in full force and effect.

18. Applicable Law.

The laws of the State of New Mexico shall govern this Agreement, without giving effect to its choice of law provisions. Venue is be proper in a New Mexico Court of competent jurisdiction in accordance with NMSA 1978, Section 38-3-1(G).

19. Amendment.

This Agreement may be altered, modified, or amended by an instrument in writing executed by the parties.

<<Add below sentence if page is quarter or more blank>>
The remainder of this page in intentionally left blank.

In witness whereof, each party is signing this Agreement on the date stated opposite that party's signature.

NEW MEXICO DEPARTMENT OF TRANSPORTATION

By: _____ Date: _____
Cabinet Secretary or Designee

Approved as to form and legal sufficiency by the New Mexico Department of Transportation's Office of General Counsel

By: _____ Date: _____
Assistant General Counsel

Mayor – City of Hobbs

By: _____ Date: _____

Title: Mayor, City of Hobbs

Attest: _____
Jan Fletcher, City Clerk

EXHIBIT A
PROJECT CERTIFICATION OF
DESIGN, CONSTRUCTION, AND COST

TO: New Mexico Department of Transportation
District _____ LGRF Coordinator

Cooperative Agreement No. _____ Control No. _____
Joint Powers Agreement No. _____ Control No. _____

Entity: _____

Scope of Work (Including Routes and Termini):

I, the undersigned, in my capacity as _____ of _____ state that:

1. The design is in compliance with all state laws, rules, regulations, and local ordinances and was performed in accordance with the provisions set forth in this Agreement and in the Local Government Road Fund Project Handbook (Current Edition);
2. Construction of the project was performed in accordance with standards and specifications set forth in:

and completed on _____, 20____; and
3. That the total project cost of _____, with New Mexico Department of Transportation 75% share of _____ and the Public Entity share of _____ (as submitted in attached "As Built Summary of Costs and Quantities") is accurate, legitimate, and appropriate for the project.

Name Date

Print Name

Title



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 21, 2022

SUBJECT: RFP 533-22, Grit Chamber Support Replacement
DEPT. OF ORIGIN: Utilities
DATE SUBMITTED: June 9, 2022
SUBMITTED BY: Tim Woomer, Utilities Director

Summary:

- The WWRF Grit Chamber experienced a corrosion related failure of the rake arm attachment mechanism supports and main drive unit assembly.
- The Grit Chamber serves to remove "grit" from the incoming wastewater stream at the WWRF, thereby reducing wear on downstream pumping equipment.
- RFP 533-22 Materials and Installation Services: Grit Chamber Support Replacement advertised on April 17, 2022 with proposals opened on May 12, 2022. One proposal was received by the bid deadline and the evaluation team has reviewed the proposal based on the criterion listed in the RFP, with Rebuild It Services Group being the sole proposer.

Fiscal Impact: \$181,177.00 (not including NMGRT)

Reviewed By: 

Finance Department

The total cost of the project will come from funds budgeted in the fiscal year in Utilities Enterprise Fund 63-4370-43015 (Utilities Equipment).

Attachments:

Profession Services Agreement to Furnish Materials and Installation Services for The City of Hobbs WWRF Grit Chamber Support Replacement.

Legal Review:

Approved As To Form: 

City Attorney

Recommendation:

Award RFP 533-22, and enter into a Professional Services Agreement with Rebuild-It Services Group 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. _____

Continued To: _____

Ordinance No. _____

Referred To: _____

Approved _____

Denied _____

Other _____

File No. _____



PROFESSIONAL SERVICES AGREEMENT

THIS CONTRACT is made the ____ day of _____, 20____, by and between the City of Hobbs, New Mexico, a municipal corporation located in Lea County, New Mexico (hereinafter referred to as "City") and Rebuild-It Services Group, LLC, an independent contractor with a business address of 4188 W. Nike Dr, West Jordan, UT 84088 (hereinafter referred to as "Contractor").

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

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

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

1. SCOPE OF SERVICES

Scope of Services is included in Exhibit 1: Agreement for Professional Services (RFP 533-22). Please see Exhibit 1.

2. STATUS OF CONTRACTOR

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

3. CONTRACT TERM AND TERMINATION

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

4. PRICE

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

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

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

5. INSURANCE REQUIREMENTS

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

6. INDEMNITY AND HOLD HARMLESS

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

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

7. FACILITY AND EQUIPMENT—SAFETY

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

8. BACKGROUND CHECK

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

9. DRUG-FREE WORKPLACE

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

10. RULES, REGULATIONS, AND CARE

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

11. NOTICE

All notices given pursuant to or in connection with this Agreement shall be made in writing and posted by regular mail, postage prepaid, to City, ATTN: Accounts Payable, City Hall, 200 E. Broadway Street, Hobbs, NM 88240 and to Contractor at 4188 W. Nike Dr, West Jordan, UT 84088 or to such other address as requested in writing by either party. Notice shall be deemed to be received on the fifth day following posting.

12. CONFLICT OF INTEREST AND GOVERNMENTAL CONDUCT ACT

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

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

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

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

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

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

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

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

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

13. MISCELLANEOUS PROVISIONS

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

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

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

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

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

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

Contacting City via telephone at Accounts Payable ; and
Contacting City via e-mail at tspears@hobbsnm.org .

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

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

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

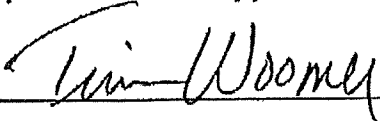
The foregoing constitutes the entire Agreement between the parties. This Agreement may only be modified through a written amendment signed by both parties.

[Required Signatures on Next Page]

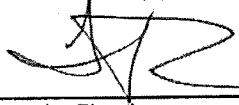
IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written on the first page of this Agreement.

THE CITY OF HOBBS, NEW MEXICO

Department Head Approval:



Contractor Approval:



Contractor Signature

Account No.: 63-4370-43015

Finance Director:

Finance Director

City Attorney "as to form" Approval:

City Attorney

City Manager Approval:

City Manager

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

City Clerk

Mayor Approval:
(Professional Service Contracts over
\$75,000)

Mayor

Exhibit 1

DIVISION II – PROJECT DESCRIPTION AND SCOPE OF SERVICES

CITY OF HOBBS REQUEST FOR PROPOSALS (RFP 533-22)

The City of Hobbs (“COH” or “Owner”) extends an invitation to interested and qualified firms or individuals to submit a Statement of Qualifications (“Proposal”) to provide technical services, and construction related services for **Grit Chamber Feedwell Support Structure Replacement** at Owners Waste Water Reclamation Facility.

Any individual(s) or firm(s) proposing to perform the services and provide the materials required of this RFP must have familiarized themselves with the requirements by conducting a site inspection prior to the RFP closing date of May 3, 2022 at 10:00 a.m. (MST). A site inspection form is included within the RFP and must be included within Proposers’ formal response.

PROJECT DESCRIPTION AND SCOPE OF SERVICES

The purpose of this project is the complete replacement of the existing Grit Chamber Feedwell supporting structure brackets, and platform with 316 stainless steel, repair and reattach the air distribution header, replace the skimmer arm with one fabricated of 316 stainless steel, patch and recoat the feedwell, and rebuild an existing spare DBS 42 inch drive unit to replace the current heavily corroded unit. This Grit Chamber (repurposed clarifier) unit is covered, qualifies as a confined space, and the proposer is responsible for removing and reinstalling any covers/supports to access the work area. The proposer will be responsible for shipping the drive unit to their repair facility and back to the Owner's facility, providing any materials needed for the project, provide any sub-contracting services for the removal and reinstallation of the main drive unit, and provide all safety related items, processes, and procedures.

All respondents to RFP 533-22 are required to inspect the project site and conditions in order to familiarize themselves with the requirements of this project prior to the proposal closing date of May 3, 2022 at 10:00 a.m. (MST). Plans and specifications for the grit chamber are provided in this proposal. A site inspection form is included within this RFP and must be completed and returned with Proposers formal response. All respondents to RFP 533-22 are responsible for rebuilding the Owner's spare drive unit, providing all materials and processes to remove and replace the grit chamber feedwell support brackets, platform, skimmer arm with 316 stainless steel and testing and commissioning/startup of the unit to ensure fitness for service.

The successful Proposer will execute an agreement with the City of Hobbs to provide and be responsible for the grit chamber main drive rebuilding, feedwell support, platform, and skimmer arm replacement. Any patching or replacement of steel appurtenances will be spot coated with a corrosion resistant epoxy as needed. A warranty of one (1) year commencing on the date of successful startup shall also be provided.

Owner will be responsible for isolating and draining the grit chamber (repurposed clarifier) and coordinating with the Proposer on shutdown times and schedule. Proposer will note that the grit chamber must successfully complete startup and testing prior to re-establishing flow through the grit chamber. Proposer shall coordinate with Owner for shipping and receiving of the main drive and delivery of any materials or equipment prior to the arrival of the proposer's onsite representative. .

Exhibit 1

PROJECT ASSUMPTIONS

The scope of services for this proposal has been prepared using the following assumptions as a basis for its preparation:

1. The project area is described as City of Hobbs Waste Water Reclamation Facility Grit Chamber. Within reason, Owner will provide its technical assistance and knowledge of the Grit Chamber system. However, Proposer is responsible for verifying all information provided as a requirement of the project.
2. Proposer shall be experienced in the repair and rehabilitation of wastewater equipment with a service center for warranty repairs and service within 1,500 miles of The City of Hobbs, New Mexico.
3. Proposer understands that the redundant grit chamber will remain in service during project. Proposer must be capable of providing personnel for all aspects of the RFP who are knowledgeable and competent to perform the services required. Proposer will provide all safety equipment required for its personnel and be responsible for ensuring that work is conducted in accordance with Local, State and Federal safety regulations.
4. Owner will provide on-site inspection services at the Owner's Wastewater Reclamation Facility as needed for the duration of the project. Inspection will be required upon receipt of the rebuilt drive, when the drive supports and platform are installed, when the drive is mounted, the skimmer arm is attached, patches are made and coated, at all testing events, and for the final acceptance. These inspections will be classified as "Hold Points" as these inspections must be approved and passed sequentially before the next task can commence. Proposer understands that all protective testing is provided in their scope of work and the Proposer is responsible for setting up the necessary testing.

PROJECT CONTACTS:

Questions regarding the selection process:

Contact: Toby Spears,
Finance Director
Address: 200 E. Broadway
City / State / Zip: Hobbs, NM 88240
Phone Number: 575-397-9235

Technical Questions regarding scope of work:

Bill Griffin, WWRF Superintendent
200 E. Broadway
Hobbs, NM 88240
575-397-9315
bgriffin@hobbsnm.org



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/8/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Universal Business Ins., Inc. 9980 South 300 West Sandy UT 84070	CONTACT NAME: Savannah Garner	
	PHONE (A/C, No, Ext): 801-984-6100	FAX (A/C, No): 801-984-6060
E-MAIL ADDRESS: sgarner@ubinsurance.com		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A : WCF Mutual Insurance Company		10033
INSURER B :		
INSURER C :		
INSURER D :		
INSURER E :		
INSURER F :		

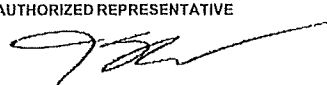
INSURED 1SOURCE-01
 Rebuild-IT Services Group LLC
 6966 S Commerce Park Dr
 Midvale UT 84047

COVERAGES **CERTIFICATE NUMBER:** 652301896 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDITIONAL INSURED	SUBROGATION WAIVED	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	4016701	4/1/2022	4/1/2023	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Utah and California domiciled employees only.

CERTIFICATE HOLDER Proof of Coverage	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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