

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

May 10, 2022



Hobbs City Commission

****Special Meeting****

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

Tuesday, May 10, 2022 - 3:00 p.m.

Sam D. Cobb, Mayor

R. Finn Smith
Commissioner – District 1

Christopher R. Mills
Commissioner – District 2

Larron B. Fields
Commissioner – District 3

Joseph D. Calderón
Commissioner – District 4

Dwayne Penick
Commissioner – District 5

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 2:30 p.m. on May 10, 2022, addressed to the City Clerk by email at jfletcher@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

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 City Clerk at jfletcher@hobbsnm.org or faxed to (575) 397-9334 no later than 2:30 p.m. on the day of the meeting, May 10, 2022.

ACTION ITEMS (Ordinances, Resolutions, Public Hearings)

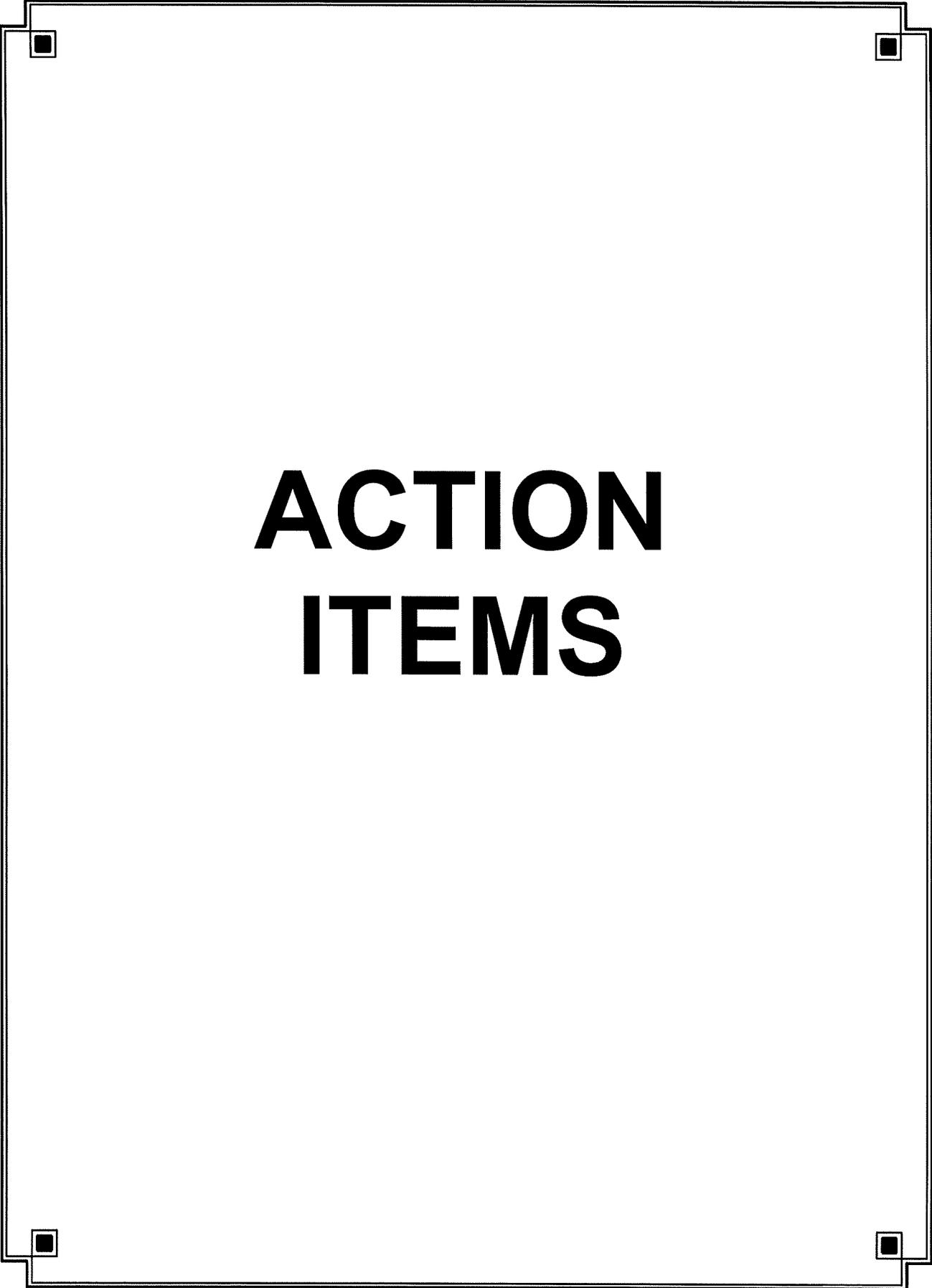
1. Resolution No. 7198 – Authorizing a Memorandum of Understanding with Lea County for the Airline Subsidy for FY 22-23 (Efren Cortez, City Attorney)
2. Resolution No. 7199 – Appropriating Funding and Authorizing a Professional Services Agreement with the Economic Development Corporation of Lea County for FY 22-23 (Efren Cortez, City Attorney)

COMMENTS BY CITY COMMISSIONERS, CITY MANAGER

3. Next Meeting Date:
 - City Commission:
Regular Meeting **Monday, May 16, 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.



ACTION ITEMS



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 10, 2022

SUBJECT: A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH LEA COUNTY FOR AIRLINE SUBSIDY FOR FY 22-23

DEPT. OF ORIGIN: Legal Department
DATE SUBMITTED: May 6, 2022
SUBMITTED BY: Efren A. Cortez, City Attorney

Summary: This resolution authorizes the Mayor to execute a Memorandum of Understanding ("MOU") with Lea County detailing the terms and responsibilities of the entities' joint requirements for the airline subsidy. The City of Hobbs will provide subsidy funding up to \$1,400,000.00 for the service pursuant to the attached MOU between the City and County.

Fiscal Impact:

Reviewed By: Deborah Corral
Finance Department
Digitally signed by Deborah Corral...

The funding will be subject to final budget adjustment in July 2022 to be included in the FY 2022-2023 final budget.

Attachments:

Resolution;
MOU between the City and County (FY 22-23)

Legal Review:

Approved As To Form: [Signature]
City Attorney

Recommendation:

The Commission should consider the Resolution.

Approved For Submittal By:

[Signature]
Department Director

[Signature]
City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

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

CITY OF HOBBS

RESOLUTION NO. 7198

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE
A MEMORANDUM OF UNDERSTANDING WITH
LEA COUNTY FOR AIRLINE SUBSIDY FOR FY 22-23

WHEREAS, the City of Hobbs will provide airline subsidy funding up to \$1,400,000.00 pursuant to a Memorandum of Understanding between the City of Hobbs and Lea County as attached herein; and

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO that the Mayor be and is hereby directed to execute a Memorandum of Understanding with Lea County for Airline Subsidy for FY 22-23.

PASSED, ADOPTED AND APPROVED this 10th day of May, 2022.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

**MEMORANDUM OF UNDERSTANDING BETWEEN
LEA COUNTY, NEW MEXICO AND THE
CITY OF HOBBS**

This Memorandum of Understanding is made this 10th day of May, 2022, by and between the City of Hobbs (*hereinafter* "CITY") and Lea County, New Mexico (*hereinafter* "COUNTY").

PURPOSE

The purpose of this agreement is to memorialize the terms and agreement between the CITY and COUNTY regarding their funding of airline subsidy for FY 22-23. CITY and COUNTY agree to cooperate as outlined in this Memorandum of Understanding (*hereinafter* "Agreement").

WHEREAS, the CITY and COUNTY agree that a major airline service in Lea County provides a significant economic benefit to Lea County; and

WHEREAS, a major airline service to Lea County provides efficient transportation for its citizens and businesses; and

WHEREAS, a major airline service in Lea County is required in the recruitment of new businesses and maintaining existing businesses; and

WHEREAS, the Economic Development Corporation of Lea County ("EDC") has negotiated and obtained an agreement with United Airlines ("UNITED") to provide regular jet air service to and from Hobbs, NM; and

WHEREAS, the agreement requires subsidy payments from the CITY and COUNTY, if necessary, to maintain the air service; and

WHEREAS, the CITY and COUNTY desire to fund any required subsidy.

NOW THEREFORE, the CITY and COUNTY agree as follows:

SUBSIDY FUNDING

1. CITY and COUNTY agree to budget the costs of subsidy funding for FY 22-23.

2. CITY agrees to contribute not more than \$1,400,000.00 toward the aggregate subsidy for FY 22-23 on the condition that UNITED maintains both the commercial jet service to and from Denver, CO, and the commercial jet service to and from Houston, TX. The CITY's contributed subsidy of not more than \$1,400,000.00 shall be "first in." For purposes of this section, "first in" shall mean CITY's contribution shall be utilized first to satisfy the subsidy outlined in the

agreement between UNITED and the EDC until the allocated \$1,400,000.00 has been expended. Thereafter, COUNTY shall be solely responsible for satisfying all subsidy requirements.

3. Alternatively, CITY agrees to contribute not more than \$1,255,027.50 toward the aggregate subsidy for FY 22-23 in the event that UNITED removes the commercial jet service to Denver, CO, and maintains the commercial jet service to Houston, TX. Should UNITED remove the commercial jet service to Denver, CO, and maintain the commercial jet service to Houston, TX, CITY and COUNTY shall share the required subsidy equally up to CITY's allocated contribution herein. COUNTY shall be responsible for satisfying any subsidy amounts in excess of \$2,510,055.00 in the aggregate between the two parties.

4. At the conclusion of each quarter, UNITED will provide an accounting to EDC determining subsidy requirements. CITY and COUNTY shall monitor and confirm the subsidy amounts.

MERGER OF AGREEMENT

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

SOVEREIGN IMMUNITY

CITY and COUNTY and their public employees (as defined in the New Mexico Tort Claims Act) do not waive sovereign immunity, do not waive any defense(s), and/or do not waive any limitation(s) pursuant to the New Mexico Tort Claims Act and the New Mexico Civil Rights Act. No provision in the Agreement modifies and/or waives any provision of the New Mexico Tort Claims Act or the New Mexico Civil Rights Act as it relates to CITY and COUNTY and their public employees.

LIABILITY

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

THIRD PARTY BENEFICIARIES

It is specifically agreed between the parties executing the Agreement that it is not intended by any of the provisions of any part of the Agreement to create in the public or any member thereof, a third party beneficiary, or to authorize

anyone not a party to the Agreement to maintain, pursuant to the provisions of the Agreement, a suit of any nature, including but not limited to suits alleging wrongful death, bodily and/or personal injury to person(s), damages to property(ies), and/or any cause of action.

INSURANCE

Both CITY and COUNTY shall maintain liability insurance or qualify as a self-insured entity, as required by law.

TERM

This Agreement shall continue in full force and effect, for the four required quarterly payments to UNITED. Nothing in this Agreement guarantees future airline subsidy funding by either entity beyond what this Agreement contemplates.

SEVERABILITY

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

NO ORAL MODIFICATION

The forgoing constitutes the entire agreement between the Parties and may be modified only in writing signed by both Parties. Amendments and alterations to this Agreement after execution may only be made in writing signed by both parties.

GOVERNING LAW

This Agreement shall be construed in accordance with the laws of the State of New Mexico.

EFFECTIVE DATE

This Agreement shall be in full force and effect upon execution and approval of the parties hereto.

ATTEST:

LEA COUNTY, NEW MEXICO

BY: _____
Dean Jackson,
Lea County Chair

Date: _____

ATTEST:

CITY OF HOBBS

BY: _____
Sam Cobb,
Mayor

Date: _____

Approved as to Form:

By: _____
John W. Caldwell
County Attorney

Date: _____

By: _____
Efren A. Cortez
City Attorney

Date: _____



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 10, 2022

SUBJECT: A RESOLUTION APPROPRIATING FUNDING AND AUTHORIZING THE MAYOR TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH THE ECONOMIC DEVELOPMENT CORPORATION OF LEA COUNTY FOR FY22-23

DEPT. OF ORIGIN: Legal Department
DATE SUBMITTED: May 6, 2022
SUBMITTED BY: Efren A. Cortez, City Attorney

Summary: This resolution appropriates funding to the EDC of Lea County and authorizes the Mayor to execute a Professional Services Agreement to encompass all funding by the City to the EDC. The funding lines are:

- Operating: \$ 200,000.00;
Special Projects: \$ 50,000.00;
Retail Recruitment: \$ 25,000.00;
Airline Subsidy: \$1,400,000.00.

The City of Hobbs will provide an additional \$150,000.00 for marketing FlyHobbs which will need to be approved as appropriate allocations of Lodger's Tax funds pursuant to the Hobbs Municipal Codes Section 3.08.145(2)(b). Should the United Airlines maintain the commercial jet service to Denver, CO, the Lodger's Tax funds for marketing FlyHobbs may increase an additional \$50,000.00. This Professional Services Agreement would be a one-year agreement and would include funding for the airline subsidy to maintain commercial jet service to and from Hobbs, NM. Funding for the commercial jet service is jointly shared between the City of Hobbs and Lea County.

Fiscal Impact:

Reviewed By: Deborah Corral
Finance Department

The funding will be subject to final budget adjustment in July 2022 to be included in the 2022-23 final budget. Aside from the \$275,000.00 appropriated for operations, retail recruitment, and special projects, the approximate breakdown of the proposed \$1,400,00.00 fund allocation is: \$1,108,809.00 (General Fund) and \$291,191.40 (Lodger's Tax).

Attachments:

Resolution;
Professional Services Agreement between the City and EDC (FY 2022-2023).

Legal Review:

Approved As To Form: [Signature]
City Attorney

Recommendation:

The Commission should consider the Resolution.

Approved For Submittal By:

[Signatures]
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. 7199

A RESOLUTION APPROPRIATING FUNDING AND AUTHORIZING THE MAYOR TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH THE ECONOMIC DEVELOPMENT CORPORATION OF LEA COUNTY FOR FY 22-23

WHEREAS, the Economic Development Corporation of Lea County (EDC) agrees to negotiate and obtain a jet airline service to and from Hobbs, NM; and

WHEREAS, the City of Hobbs provide Airline Subsidy funding up to \$1,400,000.00 pursuant to a Memorandum of Understanding between the City of Hobbs and Lea County; and

WHEREAS, the City of Hobbs and EDC agree that \$150,000.00 is needed to effectively market the airline through the Fly Hobbs campaign, this amount will need to be approved as an appropriate Lodger's Tax allocation via resolution pursuant to the Hobbs Municipal Code Section 3.08.145(2)(b), additionally, should the airline keep the flight from Hobbs, New Mexico, to Denver, Colorado, the EDC may utilize an additional \$50,000.00 to market the FlyHobbs campaign which will need to be approved as an appropriate Lodger's Tax allocation via resolution.

WHEREAS, the maximum possible total Airline Subsidy for the City of Hobbs, including all possible Lodger's Tax allocations, would be \$1,600,000.00 for FY 22-23; and

WHEREAS, the EDC has negotiated a provision that the airline provides competitive fees for regional destination points and seeks expansion of the service where possible; and

WHEREAS, the City seeks to allocate funding to the EDC for operations, special projects, and retail recruitment in the amount of \$275,000.00, in addition to the airline funding previously discussed herein; and

WHEREAS, the parties seek to enter into a single agreement which encompasses all funds allocated to EDC from the City of Hobbs for FY 22-23.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO that FY 22-23 funding appropriations are approved for the Economic Development Corporation of Lea County in the following amounts:

	Amount Requested	Amount Approved
Economic Development Corporation		
Operating	\$ 200,000.00	\$ 200,000.00
Special Project	\$ 50,000.00	\$ 50,000.00
Retail Recruitment	\$ 25,000.00	\$ 25,000.00
Airline Subsidy	\$ 2,025,137.00	\$ 1,400,000.00

BE IT FURTHER RESOLVED that the Mayor be and is hereby authorized and directed to execute appropriate a Professional Service Agreement with the Economic Development Corporation of Lea County to encompass the amounts approved above.

PASSED, ADOPTED AND APPROVED this 10th day of May, 2022.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

PROFESSIONAL SERVICES AGREEMENT
CITY OF HOBBS – ECONOMIC DEVELOPMENT CORPORATION OF LEA COUNTY

FY 2022-2023

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

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

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

NOW THEREFORE, the City of Hobbs (hereinafter referred to as "City") and Economic Development Corporation of Lea County (hereinafter referred to as "Contractor") and hereby do agree as follows:

1.0 SCOPE OF SERVICES

1.1 CONTRACTOR will provide the following services:

1.1.1 Promote the economic and general welfare of all citizens of the City of Hobbs;

1.1.2 Actively solicit new business and industry to Hobbs, New Mexico, and the vicinity;

1.1.3 Work to retain existing businesses and their growth;

1.1.4 Furnish technical services pertaining to all economic and industrial development matters;

1.1.5 Provide economic and quality of life benefits to our community through increased industrial and retail attraction;

1.1.6 Improve the services and resources to retain and expand existing area businesses;

1.1.7 Attract desperately needed workforce to our area through an organized and targeted marketing campaign;

1.1.8 Continue to build rapport with state and national leaders to influence policy that impacts our community;

1.1.9 Improve the value of membership and engagement of cornerstone business leaders;

1.1.10 Develop better qualified and trained staff who provide leadership in the economic development field;

1.1.11 Provide the services of continuing non-stop commercial airline jet services to and from Hobbs, New Mexico;

1.1.12 Recruit retail establishments to Hobbs, New Mexico;

1.1.13 Perform such other related services as are deemed appropriate;

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

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

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

2.0 COMPENSATION

2.1 City shall pay CONTRACTOR a sum of TWO HUNDRED THOUSAND DOLLARS (\$200,000.00) for services rendered under this Agreement for operating expenses. The aforesaid amount shall be paid in quarterly installments of \$50,000.00, payable at the end of each quarter after the services contracted for are actually rendered. The first such payment shall be due on or after October 1, 2022; the second shall be due on or after January 1, 2023; the third payment on or after April 1, 2023; and the last payment on or after June 1, 2023. CONTRACTOR shall submit invoices to the City of Hobbs ten (10) days prior to payment dates and shall be sent to City of Hobbs, 200 E. Broadway, Hobbs, NM 88240 Attn: Shelly Raulston.

2.2 City shall pay CONTRACTOR a sum not to exceed FIFTY THOUSAND DOLLARS (\$50,000.00) for special projects on a reimbursement basis as specified and approved by the Hobbs City Commission. CONTRACTOR shall submit invoices to City of Hobbs, 200 E. Broadway, Hobbs, NM 88240 Attn: Shelly Raulston.

2.3 City shall pay CONTRACTOR a sum not to exceed TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00) for retail recruitment on a reimbursement basis as specified and approved by the Hobbs City Commission. CONTRACTOR shall submit invoices to City of Hobbs, 200 E.

Broadway, Hobbs, NM 88240 Attn: Shelly Raulston.

2.4 City shall pay CONTRACTOR a sum not to exceed ONE MILLION FOUR HUNDRED THOUSAND DOLLARS (\$1,400,000.00) for providing and maintaining non-stop commercial airline jet service to and from Hobbs, New Mexico. CONTRACTOR shall use funds allocated by this provision as “first in” on the condition that United Airlines continues both the commercial jet service to and from Denver, CO, and Houston, TX. For purposes of this section, “first in” shall mean City’s contribution shall be utilized first to satisfy the MRG cap outlined in the agreement between United Airlines and the CONTRACTOR until the allocated \$1,400,000.00 has been expended. Thereafter, Lea County shall be solely responsible for satisfying all MRG cap requirements pursuant to its contract with EDC. In the event that United Airlines removes the commercial jet service to Denver and maintains the commercial jet service to Houston, the subsidy shall not exceed \$1,255,027.50 in the aggregate for the City. CONTRACTOR shall submit invoices and appropriate documentation for services rendered to the City of Hobbs, 200 E. Broadway, Hobbs, NM 88240 Attn: Shelly Raulston for payment associated with the airline.

2.5 CONTRACTOR shall spend at least \$150,000.00 of the funds specified in Section 2.4 herein on marketing of FlyHobbs. In the event that the Denver flight is maintained by United Airlines, the CONTRACTOR shall spend at least an additional \$50,000.00 to market FlyHobbs for the Denver flight, on a reimbursement basis.

2.6 As an express condition to payment outlined in Section 2.1 above, CONTRACTOR shall submit written quarterly reports to the City Manager ten (10) days prior to the following anticipated payment dates: October 1, 2022; January 1, 2023; April 1, 2023; and June 1, 2023. The reports shall include an overview of the services CONTRACTOR provided pursuant to the agreement during the previous quarter. CONTRACTOR shall make a presentation to the Hobbs City Commission on their second meeting in January 2023 to report all services rendered under this Agreement. CONTRACTOR shall provide ongoing reports to the City Manager regarding retail economic development and recruitment initiatives being funded by this Agreement.

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

3.0 TERM AND TERMINATION

3.1 This Agreement for services is to cover City's fiscal year, beginning July 1, 2022, and ending June 30, 2023. CONTRACTOR shall not be entitled to future contracts or other funding in future fiscal years by virtue of entering into this Agreement.

3.2 This Agreement may be terminated by either party, with or without cause, upon thirty (30) days advanced written notice to the other. In the event of termination, City shall submit payment, for all services rendered up to the final date outlined in the written notice. Partial performance in a given quarter shall not entitle CONTRACTOR to full payment of the quarterly

installment outlined in Section 2.1 herein.

4.0 INSURANCE

4.1 CONTRACTOR shall provide the City of Hobbs with a Certificate of Insurance naming the City of Hobbs as an additional insured on all general and/or professional liability, automobile liability, and workers' compensation insurance policies. Said policy shall be primary.

5.0 MISCELLANEOUS PROVISIONS

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

5.2 CONTRACTOR represents and warrants that the information given to City in support of its request for funding is true and correct; further, that its staff is competent to render the services which are the subject of this Agreement, and finally, that there is no other provider in Lea County of the kind of services contemplated by this Agreement.

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

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

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

5.6 This Agreement shall be construed pursuant to the laws of the State of New Mexico. The parties represent that the requirements of the New Mexico Procurement Code have been met as a prerequisite for entering into this Agreement. They further agree that any changes or modifications to this Agreement suggested or required by any supervising state entity, such as the New Mexico Attorney General's office or the New Mexico Department of Finance and Administration, shall be made in order to fully comply with the law as such agencies might interpret and define it to the parties.

5.7 If CONTRACTOR obtains an audit or other type of financial review of its affairs, then City shall receive a copy of same. This provision does not otherwise obligate CONTRACTOR to secure such services. City shall be entitled to a detailed current income/expense statement upon written request.

5.8 CONTRACTOR shall provide accounting services to assure accurate statements of income and expense and make that information available to the City of Hobbs at regularly agreed intervals.

5.9 This is a professional services contract and neither City nor CONTRACTOR may assign this Agreement, or any interest herein, without prior written approval of the other.

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

[Required Signatures on Next Page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this _____ day of _____, 2022.

ATTEST:

THE CITY OF HOBBS, NEW MEXICO

By: _____
SAM D. COBB, Mayor

By: _____
JAN FLETCHER, City Clerk

By: _____
TOBY SPEARS, Finance Director

ATTEST:

ECONOMIC DEVELOPMENT CORPORATION OF LEA COUNTY

By: _____
JENNIFER GRASSHAM, President & CEO

By: _____
DAVID SHAW, Chairman

APPROVED AS TO FORM:

EFREN A. CORTEZ, City Attorney