

Commission Meeting Agenda



Mayor

Samuel D. Cobb

City Commission

Marshall R. Newman

Jonathan Sena

Crystal G. Mullins

Joseph D. Calderón

Garry A. Buie

John W. Boyd

City Manager

J. J. Murphy

May 19, 2015



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

Tuesday, May 19, 2015 - 6:00 p.m.

Sam D. Cobb, Mayor

Marshall R. Newman
Commissioner - District 1

Jonathan Sena
Commissioner - District 2

Crystal Mullins
Commissioner - District 3

Joseph D. Calderón
Commissioner - District 4

Garry A. Buie
Commissioner - District 5

John W. Boyd
Commissioner - District 6

A G E N D A

CALL TO ORDER AND ROLL CALL

INVOCATION AND PLEDGE OF ALLEGIANCE

APPROVAL OF MINUTES

1. Minutes of the May 4, 2015, Regular Commission Meeting

PROCLAMATIONS AND AWARDS OF MERIT

2. Hobbs Fire Department - Promotion of Officers
3. Presentation of 2015 Outstanding Hispanic of the Year Award to Freddie Salgado
4. Proclamation Proclaiming May 17-23, 2015, as National EMS Week

PUBLIC COMMENTS *(For non-agenda items.)*

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

5. Resolution No. 6293 - Determining that Certain Structures are Ruined, Damaged and Dilapidated Requiring Removal from the Municipality (115 West Midwest) *(Manny Marquez)*
6. Resolution No. 6294 - Authorizing a Memorandum of Understanding Between the City of Hobbs Police Department and the Lea County Sheriff's Department Regarding the 2015 Edward Byrne Memorial Justice Assistance Grant *(Deputy Police Chief Brian Dunlap)*
7. Resolution No. 6295 - Authorizing a Mutual Aid Agreement Between the Hobbs Police Department and the Carlsbad Police Department *(Deputy Police Chief Brian Dunlap)*
8. Resolution No. 6296 - Authorizing the Adoption of the City of Hobbs' Cash Handling and Receipting Policy *(Toby Spears)*
9. Consideration of Approval of a Task Order with Pettigrew & Associates to Provide Supporting Engineering Services for Bidding of the Effluent Reuse Project, Phase II *(Tim Woomer)*

DISCUSSION

ACTION ITEMS (Ordinances, Resolutions, Public Hearings)

10. **FINAL ADOPTION:** Ordinance No. 1084 - Amending Sections 3.20.040 and 3.20.080 of the Hobbs Municipal Code Regarding the City of Hobbs' Procurement Policy *(Toby Spears)*
11. **FINAL ADOPTION:** Ordinance No. 1085 - Amending Section 2.56.050 of the Hobbs Municipal Code Regarding Nepotism *(Nikki Sweet)*
12. Consideration of Approval of Bid No. 1532-15 for Water Supply Well #13 Phase II Project and Recommendation to Accept Bid from Entrench, Inc. *(Tim Woomer)*
13. Resolution No. 6297 - Authorizing Approval of a Development Agreement with CRV Investments, LLC, Concerning the Development of Market Rate Multi-Family Housing Located Southwest of the Intersection of East Bender Blvd. and Ranchland *(Kevin Robinson)*
14. Resolution No. 6298 - Authorizing Approval of a Collective Bargaining Agreement with the Hobbs Police Association *(Mike Stone)*

15. Resolution No. 6299 - Authorizing the Reclassification of Lodgers' Tax Funds and General Fund Expenditures to Fund the City of Hobbs' Toby Keith Concert at Watson Memorial Stadium *(J.J. Murphy)*

COMMENTS BY CITY COMMISSIONERS, CITY MANAGER

16. Next Meeting Date:

- ▶ Regular Meeting - ***Monday, June 1, 2015***, at 6:00 p.m.

ADJOURNMENT

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the above meeting, please contact the City Clerk's Office at (575) 397-9207 at least 72 hours prior to the meeting or as soon as possible.



CITY OF HOBBS

COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 19, 2015

SUBJECT: **Commission Meeting Minutes**

DEPT. OF ORIGIN: City Clerk's Office
DATE SUBMITTED: May 13, 2015
SUBMITTED BY: Jan Fletcher, City Clerk

Summary:

The following minutes are submitted for approval:

- ▶ Regular Meeting of May 4, 2015

Fiscal Impact:

Reviewed By: _____
Finance Department

N/A

Attachments:

Minutes as referenced under "Summary".

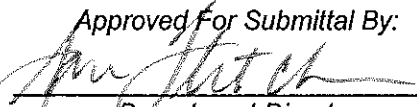
Legal Review:

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. _____
Ordinance No. _____
Approved _____
Other _____

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

Minutes of the regular meeting of the Hobbs City Commission held on Monday, May 4, 2015, in the City Commission Chamber, 200 East Broadway, 1st Floor Annex, Hobbs, New Mexico.

Call to Order and Roll Call

Mayor Pro Tem Calderón called the meeting to order at 6:00 p.m. and welcomed everyone in attendance to the meeting. The City Clerk called the roll and the following answered present:

Mayor Pro Tem Joseph D. Calderón
Commissioner Marshall R. Newman
Commissioner Jonathan Sena
Commissioner Crystal Mullins
Commissioner Garry A. Buie
Commissioner John W. Boyd

Absent: Mayor Sam D. Cobb

Also present: J. J. Murphy, City Manager
Mike Stone, City Attorney
Efren Cortez, Assistant City Attorney
Chris McCall, Police Chief
Brian Dunlap, Deputy Police Chief
Eric Enriquez, Director of Community Services
Barry Young, Acting Fire Chief
Paul Thompson, Fire Captain
Freddie Salgado, Community Engagement Representative
Manny Marquez, Building Official
Toby Spears, Finance Director
Todd Randall, City Engineer
Ronny Choate, General Services Director
Ron Roberts, Information Technology Director
Lindsay Chism, Director of Communications
Doug McDaniel, Parks and Recreation Director
Matt Hughes, Golf Superintendent
Tim Woomeer, Utilities Director
Nikki Sweet, Human Resources Director
Robert Hamilton, Reference Librarian
Ann Betzen, Executive Assistant/Risk Manager
Mollie Maldonado, Deputy City Clerk
Jan Fletcher, City Clerk
57 citizens

Invocation and Pledge of Allegiance

Commissioner Newman delivered the invocation and Commissioner Buie led the Pledge of Allegiance.

Closed Sessions

The City Commission convened in closed session on Monday, May 4, 2015, at 5:30 p.m., for discussion of matters subject to the attorney-client privilege pertaining to pending or threatened litigation in Federal or State Courts in which the City is or may become a participant. The matters discussed in the closed meeting were limited only to discussion of matters subject to the attorney-client privilege pertaining to pending or threatened litigation in Federal or State Courts in which the City is or may become a participant. No action was taken during the meeting.

The City Commission convened in closed session on Tuesday, May 12, 2015, at 5:00 p.m., for discussion of matters subject to the attorney-client privilege pertaining to pending or threatened litigation in Federal or State Courts in which the City is or may become a participant and limited personnel matters. The matters discussed in the closed meeting were limited only to discussion of matters subject to the attorney-client privilege pertaining to pending or threatened litigation in Federal or State Courts in which the City is or may become a participant and limited personnel matters. No action was taken during the meeting.

Approval of Minutes

Commissioner Sena moved that the minutes of the work session and regular meeting held on April 20, 2015, be approved as presented. Commissioner Mullins seconded the motion and the vote was recorded as follows: Newman yes, Sena yes, Mullins yes, Buie yes, Boyd yes, Calderón yes. The motion carried.

Proclamation Proclamations and Awards of Merit

Presentation of Lifesaving Award to Officer Ward Harrington. Police Chief Chris McCall presented the Lifesaving Award to Officer Ward Harrington. He stated Officer Harrington was assigned to the night shift working normal patrol functions. At 2:33 a.m., Officer Harrington noticed a vehicle parked in the Watson Stadium so he stopped to investigate. Officer Harrington noticed the vehicle had a high school parking sticker and then noticed an iPhone in the seat. He did not notice anyone around so he walked to the stadium and around the complex looking for the person belonging to the vehicle. As Officer Harrington walked around the track, he observed movement in the area of the east press box, which is located at the very top of

Watson Stadium. He walked up to the press box where he observed a juvenile female grasping to the fence outside of the press box. Officer Harrington recognized her as a person who was contemplating suicide. He took immediate action to begin dialogue with her and to gain her trust. Officer Harrington climbed over a fence to the press box area putting himself in danger of falling. He was ultimately able to get her to grab onto him so he could pull her to safety. Officer Harrington followed through with this encounter by going with her to the hospital for an evaluation. He spoke with her mother and was able to give her information that she may not have been aware of. Officer Harrington did a remarkable job in gaining this person's trust and showing her he truly cared for her well-being.

Mr. J. J. Murphy, City Manager, also presented Officer Harrington with the City's distinguished Warrior Award.

Presentation of VFW's National Law Enforcement Public Servant Citation to Officer Teresa Flores. Ms. Cathy Brock and Mr. Eddie Rodriguez with VFW Post 3274 presented HPD Officer Teresa Flores with the National Law Enforcement Public Servant Citation. Mr. Rodriguez read a letter submitted by her supervisor, Captain Michael Walker, which stated Officer Flores served in the United States Navy from 2002 to 2008. He stated she was employed by the Hobbs Police Department in 2013 and has excelled in her career. Mr. Rodriguez stated Officer Flores serves on the Honor Guard. He stated the National Law Enforcement Public Servant Citation is a highly recognized service and this is the first time an officer has been recognized locally.

Mayor Pro Tem Calderón stated he thinks highly of the Hobbs Police Officers which is credited to the leadership of Chief Chris McCall. He stated he recalls when he, Mr. Murphy and Police Chief McCall went knocking door-to-door and were well received by the residents. Mayor Pro Tem Calderón stated the only complaint received was about speeding in the community.

Public Comments

Mr. Joe Cotton, President of the NAACP, thanked the City for hosting the Hobbs Downtown Slam and Jam which included the Gus Macker Tournament. He stated it was a great event. Mr. Cotton stated the police officers did a great job ensuring the event was safe to the public. He stated HPD is doing a great job in the community.

Commissioner Boyd welcomed Lea County Commissioner Jim Britton to the meeting.

Mr. Bryon Marshall recommended the City Commission meetings be televised. He stated the City recently purchased surveillance system equipment and he thinks the City can afford to have its Commission meetings televised. Mr. Marshall stated multiple cities in New Mexico televise their Commission meetings. He stated it is good for transparency.

Mr. Murphy stated Mr. Marshall has previously brought this matter to his attention. He stated City staff is broadcasting tonight's meeting on the City's radio station 99.3 FM. Mr. Murphy stated the broadcast is being tested tonight and is working well; therefore, the City will advertise to the public about the broadcast of the Commission meetings. He commended Mr. Marshall for his efforts in bringing more transparency to the Hobbs City Commission.

Mr. Thomas Whelpley, who is a retired Marine and law enforcement officer, stated he is replacing Debra Lyles and Gladys Swisher at Red Cross. He stated he is the newly-appointed "Volunteer Leader" at Red Cross which became effective last week.

Mr. Charles Whitley stated he made a suggestion about ten months ago that City Park needed to be renovated. He encouraged the Commission to move forward with the City Park project.

Mr. Whitley stated the Gus Macker tournament was great downtown.

Mr. Whitley stated he supports the infrastructure projects such as Taylor Ranch and the Health Wellness Learning Center but at some point there is enough spending at Rockwind Golf Course. He stated two tournaments that will host Golf Pros should be sufficient to promote the new golf course.

Mr. Whitley also questioned why the public is not allowed to comment on agenda items.

Commissioner Newman stated the public is allowed to comment on agenda items.

Mr. Stone stated some agenda items require public input, such as ordinances, and time allotted during the meeting.

Mr. Murphy stated the City Park renovation is under contract with a design firm. He stated there will be public meetings for input on the renovation of the park. Mr. Murphy stated the City partnered with the Hobbs Municipal Schools and the J. F Maddox Foundation for this project.

Consent Agenda

Mayor Pro Tem Calderón explained the Consent Agenda and the process for removing an item from the Consent Agenda and placing it under Action Items.

Commissioner Boyd moved for approval of the following Consent Agenda Item(s):

Resolution No. 6285 - Authorizing the Appointment of Robin Needham to the Library Board.

Resolution No. 6286 - Authorizing the Extension of the Term of a Grant Agreement with the New Mexico Department of Transportation for Municipal Arterial Project No. MAP-7625(909).

Resolution No. 6287 - Approving an Amendment to the Development Agreement with Oak Manor, Hobbs, NM, LLC, Dated April 7, 2014, Extending the Term to September 30, 2015.

Resolution No. 6288 - Approving the Vacation of a Portion of Arizona Avenue and Alleyways Located Between Block 1 and Block 4 of Camino Del Norte Subdivision, and Replatting the Same, Located Within the Extra-Territorial Platting Jurisdiction of the City of Hobbs.

Resolution No. 6289 - Approving the Subdivision of Tract 6, Block 13, Pribble Brothers Addition and an Encroachment Agreement to Permit Existing Structures in the City Right-of-Way at Property Located Northeast of the Intersection of Alston and Bataan.

Resolution No. 6290 - Authorizing an Agreement Between Lea County and the City of Hobbs to House Hobbs Detention Prisoners in the Lea County Detention Facility.

Commissioner Mullins seconded the motion and the vote was recorded as follows: Newman yes, Sena yes, Mullins yes, Buie yes, Boyd yes, Calderón yes. The motion carried. Copies of the resolutions and supporting documentation are attached and made a part of these minutes.

Discussion

There were no discussion items presented.

Action Items

Resolution No. 6291 - Approval of Preliminary Budget for FY 15-16. Mr. Toby Spears, Finance Director, stated a work session was held on April 20, 2015, for the discussion of the Preliminary Budget for FY 15-16. He stated, by State law, the preliminary budget must be approved and submitted to the New Mexico Department of Finance and Administration by June 1, 2015. He stated the preliminary budget includes \$78,101,147.00 in proposed General Fund expenditures and \$138,862,188.00 in proposed expenditures for all funds. Mr. Spears further stated the revenues in the General Fund are projected at \$72,823,823.00 in total revenue and projections for all funds are set at \$123,415,832.00. He stated the projected General Fund cash reserve is set at 30%.

Commissioner Boyd moved that Resolution No. 6291 be adopted as presented. Commissioner Sena seconded the motion and the vote was recorded as follows: Newman yes, Sena yes, Mullins yes, Buie yes, Boyd yes, Calderón yes. The motion carried. Copies of the resolution and supporting documentation are attached and made a part of these minutes.

FINAL ADOPTION: Ordinance No. 1083 - Authorizing the Execution and Delivery of a Water Project Fund Loan/Grant Agreement with the New Mexico Finance Authority in the Total Amount of \$3,200,000. Mr. Tim Woomer, Utilities Director, explained the ordinance and stated the New Mexico Finance Authority (NMFA) approved Water Trust Funding for the City's effluent reuse project in the amount of \$3.2 million. He stated the funding structure consists of a 40% loan component in the amount of \$1,280,000.00 with a 20 year term at a net interest rate of .25% (administrative fee of 1/4 of 1%) and a 60% grant in the amount of \$1,920,000.00. He stated the loan will enable the City to utilize effluent water along the Lovington Hwy. Health Trail and at the golf course.

Commissioner Boyd thanked Mr. Woomer for a good job on securing the loan for effluent reuse project. He stated it has been a long process.

In response to Mayor Pro Tem Calderón's inquiry, Mr. Woomer stated the effluent treated water from the W.W.T.P. is collected at the plant where it is cleaned, treated, disinfected and is of high quality. He stated the plant is able to provide effluent water of high quality because of the new system the Commission approved a few years ago.

In reply to Commissioner Mullins' question, Mr. Woomer stated the effluent water is not suitable for human consumption.

Commissioner Newman stated the water that drains from the Splash Pads is reused as effluent water so it is not wasted water as some citizens were concerned about.

Proper publication having been made, and there being no public comments or further discussion from the Commission, Commissioner Boyd moved that Ordinance No. 1083 be adopted as presented. Commissioner Buie seconded the motion and the vote was recorded as follows: Newman yes, Sena yes, Mullins yes, Buie yes, Boyd yes, Calderón yes. The motion carried. A copies of the ordinance and supporting documents are attached and made a part of these minutes.

Consideration of Approval of Bid No. 1531-15 for Annual Pavement and Concrete Work Agreement and Recommendation to Accept Bid from Ramirez and Sons, Inc.

Mr. Todd Randall, City Engineer, explained the bid and stated the annual pavement and concrete agreement is for an indefinite quantity of various construction items, such as hot-mix asphalt paving installation and improvements, concrete structure installation and improvements, dirt work, permanent signing and striping, fencing and minor utility adjustments as specified in the contract document and future task orders.

In reply to Commissioner Newman's inquiry, Mr. Randall stated if alleys are in need of asphalt or concrete work, it could be outsourced under Bid No. 1531-15 for Annual Pavement and Concrete Work with Ramirez and Sons, Inc.

There being no further discussion, Commissioner Newman moved to approve the bid for annual pavement and concrete work with Ramirez and Sons, Inc., in the amount of \$7,520.00. Commissioner Calderón seconded the motion and the vote was recorded as follows: Newman yes, Sena yes, Mullins yes, Buie yes, Boyd yes, Calderón yes. The motion carried. Copies of the agreement and supporting documentation are attached and made a part of these minutes.

PUBLICATION: Consideration of Approval to Publish a Proposed Ordinance Amending Section 3.25 of the Hobbs Municipal Code.

Mr. Murphy stated he has numerous recommendations for changes on Section 3.25 of the Hobbs Municipal Code. Mr. Murphy and Mr. Mike Stone, City Attorney, stated a discussion was held to allow Community Drug Coalition (CDC) the designation of an exempt entity. He stated changes were made and are being recommended for approval to Section 3.25 of the Hobbs Municipal Code as follows: increasing the cap for funding social service agencies from a sum not to exceed \$250,000.00 to \$400,000.00; special projects are now considered capital projects; exempt entities are now entitled Economic Development and Marketing which will include the Economic Development Corporation of Lea County, Hobbs Chamber of Commerce, Hobbs Hispano Chamber of Commerce and Hobbs African American Chamber of Commerce and

the remaining of the wording of the paragraph is deleted. Mr. Stone stated permission is being requested to publish notice of the Commission's intent to adopt the ordinance at a later date.

In reply to Commissioner Calderón's question, Commissioner Sena stated \$225,000.00 was awarded this year to social services agencies and the CDC would be allowed to request monies after the approval of the ordinance.

Commissioner Newman stated the recommendations made by Mr. Stone are different from the information in the packet. He stated the social services agencies need to be made aware of the changes.

Mr. Murphy stated this proposed ordinance amending Section 3.25 of the Hobbs Municipal Code is for publication only and he will request input before the final adoption.

Commissioner Sena stated the Commission should take action tonight in order to distinguish funding for CDC.

Mr. Murphy stated if the Commission approves the recommendations to Section 3.25 of the Hobbs Municipal Code, then the CDC will be distinguished as a social service agency.

Commissioner Newman stated he is glad that the Hobbs African American Chamber of Commerce and Juneteenth are uniting together to host the Juneteenth Festival.

Mr. Stone stated the recommendations amending Section 3.25 of the Hobbs Municipal Code are not intended to harm any agency or prohibit them from receiving monies from the City. He stated the CDC actually functions as a social service agency.

Commissioner Boyd disagreed and stated the CDC is not a social service agency. He stated the CDC was established by the Commission in FY 07-08. Commissioner Boyd further stated that categorizing the CDC is not important because funding is available to continue supporting the goal of fighting drugs in the community.

In reply to Commissioner Mullins' inquiry, Mr. Murphy stated agencies will still have to present their requests to the Commission for funding.

Commissioner Sena moved that the Commission publish notice of its intent to adopt the ordinance at a later date.

Mr. Stone stated each social service agency agreement is drafted to fit its needs. He stated the CDC is unique and they like to make quarterly reports to the Commission which is recommended to continue. Mayor Pro-Tem Calderón agreed.

There being no further discussion from the Commission and no communications from citizens, Commissioner Mullins seconded the motion and the vote was recorded as follows: Newman yes, Sena yes, Mullins yes, Buie yes, Boyd yes, Calderón yes. The motion carried. A copy of the proposed ordinance is attached and made a part of these minutes.

Resolution No. 6292 - Authorizing the Reclassification of General Funds Expenditures to Fund the City of Hobbs Toby Keith Concert for the Rockwind Grand Opening in the Amount of \$600,000.00. Mr. Murphy stated a marketing firm was hired by the City and a recommendation is to host a Toby Keith Concert on the Rockwind driving range. He stated the overall initial cost for the concert is \$600,000.00. Mr. Murphy displayed the breakdown of the expenses, revenues, total committed sponsorships, total revenues and net cost to the lodgers' tax fund. He stated all General Fund dollars will be reimbursed.

Commissioner Boyd recommended tabling Resolution No. 6292 to allow time to educate the public. He stated it would be better received by the public if they understood that the full cost of the Toby Keith concert would not be paid with tax dollars.

Commissioner Boyd moved to table Resolution No. 6292 until the May 19, 2015, Commission Meeting. Commissioner Newman seconded the motion.

In answer to Commissioner Sena's question, Mr. Murphy stated he is unsure if that will allow enough time to secure the performance of Toby Keith but he will take all the time the Commission needs in order to approve the concert.

Commissioner Boyd stated if Mr. Murphy educates the public on the expenses for the Toby Keith concert in a timely manner, a special meeting could be held to approve the concert.

The motion having been made and seconded and there being no further discussion, the vote was recorded as follows: Newman yes, Sena yes, Mullins yes, Buie yes, Boyd yes, Calderón yes. The motion carried. A copy of the resolution is attached and made a part of these minutes.

Comments by City Commissioners, City Manager

Commissioner Mullins expressed appreciation to Mr. Murphy and City staff for all their hard work behind the scenes. She stated it is her desire to do what is in the best interest of the community.

Commissioner Sena stated Mr. Freddie Salgado, Community Engagement Representative, received the 2015 Outstanding Hispanic of the Year Award at the Cinco de Mayo Festival.

Commissioner Calderón stated he attended the Cinco de Mayo Festival and it was a good event.

Adjournment

There being no further discussion or business, Commissioner Newman moved that the meeting adjourn. Commissioner Mullins seconded the motion. The vote was recorded as follows: Newman yes, Sena yes, Mullins yes, Buie yes, Boyd yes, Calderón yes. The motion carried. The meeting adjourned at 7:10 p.m.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

Office of the Mayor
Hobbs, New Mexico

PROCLAMATION

WHEREAS, the theme for 2015 EMS Week is "EMS Strong"; and

WHEREAS, emergency medical services is a vital public service; and

WHEREAS, the members of emergency medical services teams are ready to provide lifesaving care to those in need 24 hours a day, seven days a week; and

WHEREAS, the Hobbs Fire Department responds to over 6,000 EMS calls annually; and

WHEREAS, access to quality emergency care dramatically improves the survival and recovery rate of those who experience sudden illness or injury; and

WHEREAS, the emergency medical services system consists of emergency physicians, emergency nurses, emergency medical technicians, paramedics, firefighters, educators, administrators, and others; and

WHEREAS, the members of emergency medical services teams, whether career or volunteer, engage in thousands of hours of specialized training and continuing education to enhance their lifesaving skills; and

WHEREAS, it is appropriate to recognize the value and the accomplishments of emergency medical services providers by designating Emergency Medical Services Week.

NOW, THEREFORE, I, Sam D. Cobb, Mayor of the City of Hobbs, New Mexico, do hereby proclaim the week of May 17-23, 2015, as

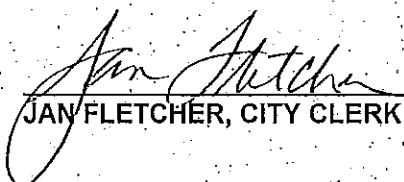
"EMERGENCY MEDICAL SERVICES WEEK"

to recognize the value and accomplishments of emergency medical service providers and encourage the community to observe this week with appropriate programs, ceremonies and activities.

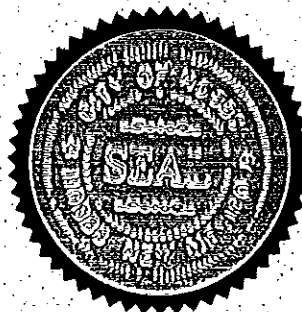
IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of May, 2015, and cause the seal of the City of Hobbs to be affixed hereto.

SAM D. COBB, MAYOR

ATTEST:



JAN FLETCHER, CITY CLERK





CONSENT AGENDA



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 19, 2015

SUBJECT: Condemnation Recommendation Structure Contained on Attachment "A"

DEPT. OF ORIGIN: Community Services
DATE SUBMITTED: May 11, 2015
SUBMITTED BY: Jose Marquez, Building Inspection

Summary:

In its continuing promotion of safety and clean up efforts in the City of Hobbs, the Environmental Division of the Hobbs Community Services has identified one structure which presents safety and fire hazards which warrant its destruction. This structure is in dire need of repair. Attachment A contains information of the property.

Fiscal Impact:


Reviewed By: 
Finance Department

The demolition and clean up of this property will cost approximately \$15,000.00. The current budget in the "Professional Services" line item of the Environmental Budget (01340-42601) has an adequate balance to sustain this expenditure.

Attachments:

- 1. Resolution
- 2. Photo of Structure contained in Attachment A.

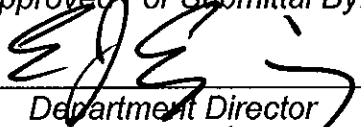

Legal Review:

Approved As To Form: 
City Attorney

Recommendation:

The City Commission approve the adoption of the Resolution determining the structure is ruined, damaged and dilapidated and a menace to public health and safety and it requires removal from the real property.

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. 6293

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

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

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

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

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

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

PASSED, ADOPTED AND APPROVED this 19th day of May, 2015.

ATTEST:

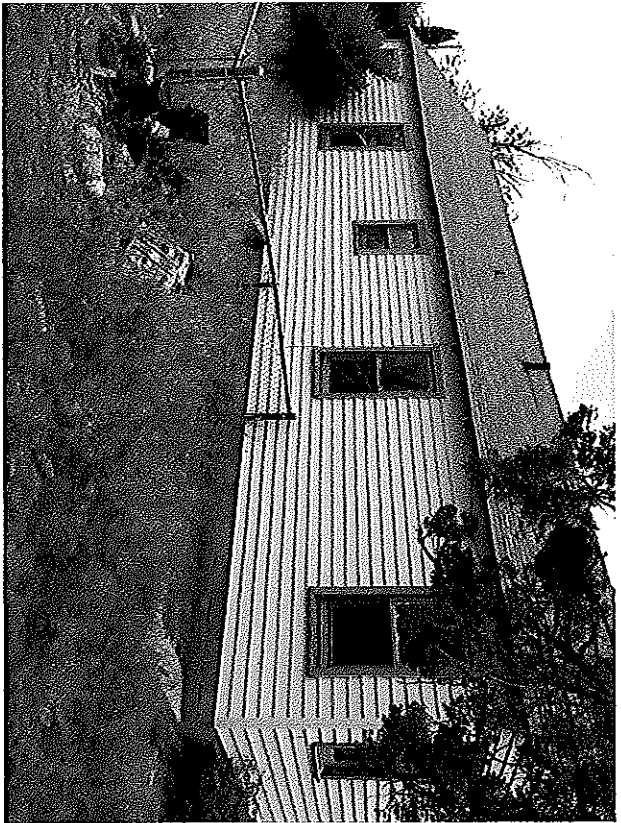
SAM D. COBB , Mayor

JAN FLETCHER, City Clerk

Attachment A

	Address	Owner	Owner's Address	Estimated Cost of Demolition
1	115 W. Midwest Lot 7-9, Block 77 New Hobbs Addition Hobbs, Lea County, New Mexico	Walter Flores	PO Box 1412 Lovington, NM 88260	\$ 15,000.00

115 W. Midwest





CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 19, 2015

SUBJECT: Resolution Authorizing the Mayor of the City of Hobbs to execute an MOU between the City of Hobbs and Lea County Sheriff's Department for the distribution of the annual JAG Grant Award.

DEPT. OF ORIGIN: Police Department
DATE SUBMITTED: May 12, 2015
SUBMITTED BY: Brian Dunlap, Deputy Chief of Police

Summary:

The Hobbs Police Department and Lea County Sheriff's Department have received a total of \$20,041.00 for the 2015 Edward Byrne Memorial Justice Assistance Grant. This is a 60/40 split with the Hobbs Police Department receiving \$12,024.60 and the Lea County Sheriff's Department receiving \$8,016.40. This grant is received annually in different amounts.

Fiscal Impact:

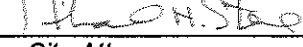
Reviewed By: 
Finance Department

There will be no fiscal impact to the City of Hobbs as all funding would be drawn from the Department of Justice. The total amount for 2015 is \$8,016.40.

Attachments:

Resolution Authorizing the Mayor to Execute a MOA with Lea County


Legal Review:

Approved As To Form: 
City Attorney

Recommendation:

Motion to approve the resolution.

Approved For Submittal By:


Department Director


City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

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

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

CITY OF HOBBS

RESOLUTION NO. 6294

A RESOLUTION ALLOWING THE CITY OF HOBBS POLICE DEPARTMENT
AND THE LEA COUNTY SHERIFF'S DEPARTMENT TO ENTER A
MEMORANDUM OF UNDERSTANDING REGARDING THE
2015 EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT

WHEREAS, the 2015 Edward Byrne Memorial Justice Assistance Grant has awarded \$20,041.00 to the City of Hobbs Police Department and Lea County, New Mexico; and

WHEREAS, the funding will be divided 60/40 between the City of Hobbs Police Department and the Lea County Sheriff's Department; and

WHEREAS, the City of Hobbs Police Department will receive \$12,024.60 and the Lea County Sheriff's Department will receive \$8,016.40; and

WHEREAS, the parties have agreed that the City of Hobbs will serve as the fiscal agent,

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the Mayor be and hereby is authorized and directed to execute this Memorandum of Understanding between the City of Hobbs and Lea County New Mexico.

PASSED, ADOPTED AND APPROVED this 19th day of May, 2015.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

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

This Memorandum of Understanding is made this 19TH day of May 2015, by and between the City of Hobbs and Lea County.

WHEREAS, the 2015 Edward Byrne Memorial Justice Assistance Grant Program has awarded \$20,041.00 to the City of Hobbs and Lea County, New Mexico

And;

WHEREAS, the funding will be distributed as follows:

The Grant Total \$20,041.00 will be divided 60/40 with the City of Hobbs Police Department receiving \$12,024.60 and the Lea County Sheriff's Department receiving \$8,016.40.

NOW, THEREFORE it is hereby agreed by the parties that the City of Hobbs will act as the fiscal agent.

AGREED:

CITY OF HOBBS, NEW MEXICO

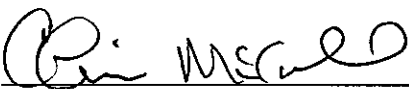
LEA COUNTY, NEW MEXICO

By: _____
Sam Cobb, Mayor

By: _____
Gregg Fulfer
Commission Chairman

CITY OF HOBBS POLICE DEPT.

LEA COUNTY SHERIFF'S DEPT.

By: 
Chris D. McCall, Chief of Police

By: _____
Steve Ackerman, Sheriff

APPROVED AS TO FORM:

By: _____
Michael Stone
City of Hobbs Attorney

By: _____
Scotty Holloman
Lea County Attorney

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

Copy 2015
MOU

This Memorandum of Understanding is made this 16th day of June 2014, by
and between the City of Hobbs and Lea County.

WHEREAS, the 2014 Edward Byrne Memorial Justice Assistance Grant Program
has awarded \$20,525.000 to the City of Hobbs and Lea County, New Mexico
And;

WHEREAS, the funding will be distributed as follows:

The Grant Total \$20,525.00 will be divided 60/40 with the City of Hobbs Police
Department receiving \$12,315.00 and the Lea County Sheriff's Department receiving
\$8,210.00

NOW, THEREFORE it is hereby agreed by the parties that the City of Hobbs will
act as the fiscal agent.

AGREED:

CITY OF HOBBS, NEW MEXICO

By: Sam Cobb
Sam Cobb, Mayor

LEA COUNTY, NEW MEXICO

By: Gregg Fuller
Gregg Fuller
Commission Chairman

CITY OF HOBBS POLICE DEPT.

By: Chris D. McCall
Chris D. McCall, Chief of Police

LEA COUNTY SHERIFF'S DEPT.

By: Mark Hargrove
Mark Hargrove, Sheriff

APPROVED AS TO FORM:

By: Michael Stone
Michael Stone
City of Hobbs Attorney

By: Scotty Holloman
Scotty Holloman
Lea County Attorney

2015 NEW MEXICO LOCAL JAG ALLOCATIONS

Listed below are all jurisdictions in the state that are eligible for FY 2015 JAG funding, as determined by the JAG formula. For additional details regarding the JAG formula and award calculation process, with examples, please refer to the updated JAG Technical report: <https://www.bja.gov/Publications/JAGTechRpt.pdf>. For JAG Frequently Asked Questions, please refer to BJA's JAG webpage: <https://www.bja.gov/Funding/JAGFAQ.pdf>.

Finding your jurisdiction: (1) Disparate jurisdictions are listed in shaded groups below, in alphabetic order by county. (2) Eligible individual allocations are listed alphabetically below the shaded, disparate groupings. Counties that have an asterisk (*) under the "Eligible Individual Allocation" column did not submit the level of violent crime data to qualify for a direct award from BJA, but are in the disparate grouping indicated by the shaded area. The JAG legislation requires these counties to remain a partner with the local jurisdictions receiving funds and must be a signatory on the required Memorandum of Understanding (MOU). A sample MOU is provided online at: <https://www.bja.gov/Funding/JAGMOU.pdf>. Disparate jurisdictions do not need to abide by the listed individual allocations, which are provided for information only. Jurisdictions in a funding disparity are responsible for determining individual amounts within the Eligible Joint Allocation and for documenting individual allocations in the MOU.

State	Jurisdiction Name	Government Type	Direct Allocation	Joint Allocation
NM	BERNALILLO COUNTY	County	\$64,003	\$431,395
NM	ALBUQUERQUE CITY	Municipal	\$367,392	
NM	CHAVES COUNTY	County	*	\$26,557
NM	ROSWELL CITY	Municipal	\$26,557	
NM	CURRY COUNTY	County	*	\$18,332
NM	CLOVIS CITY	Municipal	\$18,332	
NM	EDDY COUNTY	County	*	\$24,703
NM	ARTESIA CITY	Municipal	\$11,063	
NM	CARLSBAD CITY	Municipal	\$13,640	
NM	LEA COUNTY	County	*	\$20,041
NM	HOBBS CITY	Municipal	\$20,041	
NM	LUNA COUNTY	County	*	\$10,165
NM	DEMING CITY	Municipal	\$10,165	
NM	MCKINLEY COUNTY	County	*	\$35,390
NM	GALLUP CITY	Municipal	\$35,390	
NM	RIO ARRIBA COUNTY	County	*	\$21,778
NM	ESPANOLA CITY	Municipal	\$21,778	
NM	SAN JUAN COUNTY	County	\$21,489	\$58,442
NM	FARMINGTON CITY	Municipal	\$36,953	
NM	SAN MIGUEL COUNTY	County	*	\$11,295
NM	LAS VEGAS CITY	Municipal	\$11,295	
NM	SANDOVAL COUNTY	County	*	\$15,899
NM	RIO RANCHO CITY	Municipal	\$15,899	
NM	SANTA FE COUNTY	County	*	\$20,099
NM	SANTA FE CITY	Municipal	\$20,099	
NM	DONA ANA COUNTY	County	\$25,022	
NM	LAS CRUCES CITY	Municipal	\$33,304	
NM	LOS LUNAS VILLAGE	Municipal	\$12,337	



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 19, 2015

SUBJECT: Authorizing the Hobbs Police Department and Carlsbad Police Department to enter into a Memorandum of Understanding in regards to Mutual Aid for each agency.

DEPT. OF ORIGIN: Police Department
DATE SUBMITTED: **May 12, 2015**
SUBMITTED BY: **Deputy Chief Brian Dunlap**

Summary:

The Hobbs Police Department and Carlsbad Police Department recognize situation may arise in which additional manpower and resources may be required that exceed a single agencies capabilities. During these times of need, manpower or assistance from the law enforcement agencies that have entered into this agreement can be requested.

Fiscal Impact:

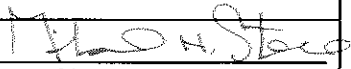
Reviewed By: 
Finance Department

No immediate fiscal impact from this agreement.

Attachments:

- 1. Copy of Mutual Aid Agreement
- 2. Resolution

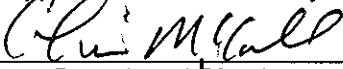

Legal Review:

Approved As To Form: 
City Attorney

Recommendation:

The City Commission approve the adoption of the Resolution to authorize HPD to enter into the Mutual Aid Agreement with the Carlsbad Police Department.

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. 6295

A RESOLUTION AUTHORIZING THE HOBBS POLICE DEPARTMENT
AND CARLSBAD POLICE DEPARTMENT TO ENTER INTO A
MEMORANDUM OF UNDERSTANDING REGARDING MUTUAL AID

WHEREAS, the City of Hobbs Police Department and the Carlsbad Police Department recognize and acknowledge that at times situations arise that require additional manpower; and

WHEREAS, during those situations it will be prudent and necessary to request additional manpower or assistance from other law enforcement agencies; and

WHEREAS, the above-mentioned law enforcement agencies have been created and sworn to enforce the laws of this state and desire to enter into the Mutual Aid Agreement attached herein.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the Mayor be and hereby is authorized to approve the Mutual Aid Agreement attached herein.

PASSED, ADOPTED AND APPROVED this 19th day of May, 2015.

SAM D. COBB, Mayor

Attest:

JAN FLETCHER, City Clerk

MUTUAL AID AGREEMENT

Between

Hobbs Police Department
Carlsbad Police Department

I. Introduction

- A. The undersigned law enforcement agencies recognize and acknowledge that at times emergency and non-emergency situations arise that require additional manpower and resources beyond which each respective law enforcement agency can provide. It is during such times that it may be prudent and necessary to request additional manpower or assistance from other law enforcement agencies.

II. Requests for Resources

- A. During natural or man-made disasters, critical incidents or significant special events, the undersigned law enforcement agencies will provide assistance to other law enforcement agencies according to the guidelines as set forth in this Mutual Aid Agreement. Requests for mutual aid should be made by the Chief Executive Officer, or his/her designee, of each Law Enforcement agency.
- B. The Chief Executive Officer or his/her designee will decide what resources are available to the requesting agency and will authorize the level of response to be provided. This response may include, but is not limited to; manpower, vehicles, equipment, or other police resources.
- C. In the event of an emergency where human life is at stake and time is of the essence, the on-duty supervisor may request resources from another agency. The on-duty supervisor of the agency receiving the request may commit emergency resources as he/she see fit until such time as the respective CEO's or designees can be contacted.
- D. ***The requesting agency must sign or have previously signed this Mutual Aid Agreement. A list of agencies having signed this agreement shall be maintained in the communications center or other appropriate locating within each agency.***
- E. Generally, when officers are assigned under this agreement it will be on a temporary basis and no reimbursement will be necessary. Reimbursements, if any, should be determined prior to a non-emergency or planned event, and outlined in writing

pursuant to a supplemental agreement. In an emergency, the protection of life is paramount the cost shall not be a factor in determining the level of response. Determination of reimbursement after an emergency shall be the duty of the agencies governing bodies.

III. Supervision and Control of Officers on Loan

- A. Officers assigned to an undersigned law enforcement agency under the mutual aid provisions shall be subject to lawful operations commands by supervisors of that department.
- B. Personnel and administrative control, including compensation to the individual officers, will be retained by the individual law enforcement agency. Police officers will be entitled to Worker's Compensation and other benefits to which they would be entitled were they are functioning within the normal course and scope of the duties with their respective agency.
- C. Police officers assigned under the provisions of this Mutual Aid Agreement shall have the same jurisdiction, powers, rights, and immunities as that of the requesting agency's officers.
- D. Officers from another agency who are temporarily assigned to a requesting agency under mutual aid provisions will abide by the rules and regulations of their own agency. Officers will bring any recognized conflicts in policy to the attention of the requesting agency supervisor.

IV. Communications

- A. In the absence of adequate radio communications, officers who are assigned to another agency under mutual aid provisions should be assigned to work with officer from that agency when possible to ensure that all personnel have access to radio communications.

V. Mutual Aid Agreement

- A. The undersigned law enforcement agencies having been created and sworn to enforce the laws of this state and their respective jurisdictions, do hereby enter into this Mutual Aid Agreement as allowed by their respective policies.
- B. This Mutual Aid Agreement shall be reviewed on an as needed basis (i.e., change of Chief Executive Officer). Should any section of this Mutual Aid Agreement be found unconstitutional or unlawful, that section shall be null and void.

Hobbs Police Department

Mayor – Hobbs, NM

Carlsbad Police Department

Mayor – Carlsbad, NM



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 19th, 2015

SUBJECT: An adoption of City of Hobbs Cash Handling and Receipting Policy (effective 6 1 2015)
DEPT. OF ORIGIN: Finance Department
DATE SUBMITTED: 5-11-15
SUBMITTED BY: Toby Spears, Finance Director

Summary:

The City of Hobbs has had prior audit findings as it relates to cash handling and receipting. The City of Hobbs needs to adopt a formal written policy to achieve the following objectives:

- 1) Provide guidelines that employees of the City of Hobbs must follow in the handling, recording and management of cash receipts
- 2) Provide guidelines that employees of the City of Hobbs must follow in the management of petty cash
- 3) Protect employees and volunteers from inappropriate charges of mishandling funds by defining responsibilities in the cash handling process

Fiscal Impact:

No fiscal impact

Reviewed By: _____

[Signature]
Finance Department

Attachments:

Resolution
Cash Handling and Receipting/Policy and Procedures

Legal Review:

Approved As To Form: _____

[Signature]
City Attorney

Recommendation:

Staff recommends approval of the Cash Handling and Receipting Policy

Approved For Submittal By:

[Signature]
Department Director

[Signature]
City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

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

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

CITY OF HOBBS

RESOLUTION NO. 6296

A RESOLUTION AUTHORIZING THE ADOPTION OF
CITY OF HOBBS CASH HANDLING AND RECEIPTING POLICY

WHEREAS, the City of Hobbs has had prior audit findings regarding cash handling and receipting; and

WHEREAS, the City of Hobbs needs to adopt a formal written policy regarding the handling and receipting of cash; and

WHEREAS, the City of Hobbs Cash Handling and Receipting Policy and Procedures shall become effective June 1, 2015.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the Mayor be and hereby is authorized to approve the City of Hobbs Cash Handling and Receipting Policy and Procedures attached hereto.

PASSED, ADOPTED AND APPROVED this 19th day of May, 2015.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

CITY OF HOBBS



CASH HANDLING AND RECEIPTING

POLICY AND PROCEDURES

June 1, 2015

I. PURPOSE

A. To provide prescribed procedures for the management of cash receipts, and petty cash funds, which will prevent the mishandling of City funds, safeguard against loss, and protect employees and volunteers from inappropriate charges of mishandling funds by defining responsibilities in the cash handling process.

II. POLICY

A. It is the policy of the City of Hobbs (City) to establish and maintain a strong system of internal controls to safeguard against the mishandling and mismanagement of City funds. Infraction of this policy will subject the employee to disciplinary action up to and including termination and possible litigation. Advance approval is required (in writing) from the Finance Director or his/her designee for all deviations from policy.

B. All cash collection points must be designated and approved by the Department Director in consultation with the City Finance Director or his/her designee. Employees involved with handling cash at collection points must have both an awareness of and show a commitment to strong internal controls pertaining to cash handling. Although some departments may handle cash on an intermittent basis, a designated cash collection point should still be established. The employees must follow the same minimum operating procedures provided herein.

C. Any cash receipts generated from City of Hobbs assets, labor, services must flow through the City of Hobbs general ledger cash accounts.

III. DEFINITIONS

A. Cash Collection Point

A department or other entity that handles cash on a regular basis and has been approved by the Department Directors in consultation with the City Finance Director or his/her designee.

B. Cash

U.S. coin and currency, checks, money orders, electronic payments, and credit card transactions.

IV. RESPONSIBILITIES

A. Department Directors

Ensure employees and volunteers abide by the prescribed procedures outlined herein and enforce the cash handling and receipting policy.

B. City Finance Director or his/her designee

Receive, retain, invest and disburse all City revenue and keep detailed records of all transactions; oversee the proper receipting and to safeguard all City funds; activate authorized Cash Collection Points and Petty Cash Funds; provide necessary training on the Cash Handling Policy & Procedures Manual; conduct surprise cash audits; and ensure the maintenance of and compliance with the cash receipts internal control systems.

C. Employee and Volunteer Cash Handlers

Follow all prescribed procedures outlined in the Cash Handling Policy & Procedures Manual and commit to a high level of integrity and honesty in the prevention of mishandling of cash.

V. PROCEDURES

A. Establishing Cash Collection Points

1. The City Finance Director or his/her designee will perform a due diligence review of the approved cash collection points before collection begins by ensuring the following key provisions of the Cash Handling Policy are in effect:
 - a) Appropriate segregation of job duties exists for employee positions proposed to be involved in the cash collection activities.
 - b) Effective measures are in place to safeguard cash until it is deposited.
 - c) The proposed reporting format is acceptable to the Finance Division.
 - d) Once the above provisions are satisfied, a determination will be made by the City Finance Director or his/her designee on whether or not there is a need for a change drawer and if found necessary, the amount of the change fund will be established.
2. The City Finance Director or his/her designee, in consultation with the City Manager and the appropriate Department Director, will have the authority to deny the establishment of a collection point due to nonconformance with the above key provisions. The City Finance Director or his/her designee will maintain a complete listing of all authorized cash collection points and amount of change drawers and will reserve the right to periodically perform an evaluation to determine if there is an appropriate level of cash to accommodate the level of activity of the cash collection points. These levels may be adjusted at the discretion of the City Finance Director or his/her designee.
3. Departments with temporary or seasonal cash funds must immediately return the funds at the end of the season or event for which the funds were issued.

B. Cash Receipts

1. Recording Sales and Other Cash Receipts
 - a) All sales and other transactions involving cash receipts, including passes and donations, must be entered into a cash register or the cash receipts application of the accounting system. If these methods are unavailable, then a pre-numbered multiple copy receipt form shall be used. All pre-numbered receipts must be accounted for, including voided receipts. The approved pre-numbered receipts are to be used and obtained from the Finance Division. Only U.S. currency is accepted.
 - b) Receipts must be given to customers for all sales.
 - c) A clear separation of duties must be maintained at the cash collection point. An individual should not have responsibility for more than one of the cash handling components: collecting, depositing, and reconciling. In the event there is limited staff, there absolutely must be a clear separation of duties between the person collecting cash and the person

performing the review and reconciliation. In this situation, it is essential the supervisor or his/her designee perform the review and reconciliation.

2. Accountability for Cash Receipts

- a) All cash must be counted daily and all cash drawers must be balanced at the end of each day or shift.
- b) Each employee who handles cash must be assigned his/her own drawer fund so that accountability for cash overages/shortages can be readily determined. If it is determined by the City Finance Director or his/her designee that a cash collection point is unable to comply with this requirement due to unique circumstances, it is the responsibility of the Department Head to ensure that the proper safeguards are in place to maintain cash handler accountability. Written justification must be submitted to the Finance Director or his/her designee for prior approval.
- c) For those locations that use a register and have multiple shifts, each employee must "audit into" the register before beginning his/her shift. To "audit into" the cash register, the employee will count and verify the beginning cash balance each day, even if that employee counted the register before leaving the prior shift.
- d) Each employee assigned a cash drawer is responsible for verifying the date on the receipt at the beginning of each shift.
- e) Each employee assigned a cash drawer is responsible for the cash deposited in his or her cash drawer.
- f) Maintaining "unaccounted for" funds or unprocessed transactions is unauthorized and may be grounds for disciplinary action.
- g) Any losses or discrepancies in cash drawers or cash bags are the sole responsibility of the employee cash handlers.

3. Balancing Cash Receipts

- a) At the end of each working day, cash receipts must be secured. The following working day, the cash receipts must be balanced by following the procedures prescribed below:
 - (1) The cash handler should first count out and separate the beginning drawer balance. All other monies remaining should balance to the cash electronic system or tape. The cash handler will complete the standard "Cash Report Form" by itemizing or listing the currency and coin by denomination, total amount of checks, and total credit card sales. If an electronic system is used, (eg: Tyler Cashiering) then the electronic balancing form must be printed out and signed. The cash handler will initial the complete the form. A similar form may be used with prior approval by the City Finance Director or his/her designee.
 - (2) The cash handler will complete the Cash Over & Short form when there is a cash difference which cannot be resolved at the time of closing. This form or a similar form approved by the City Finance Director or his/her designee, should be included with any supporting documentation and forwarded to the Finance Division.
 - (3) The immediate supervisor or his/her designee will verify, approve, and sign the Cash Report Form. The designated person must not have handled the cash anytime during the day or the shift.

(4) A supervisor or his/her designee, independent of the cashiering activity, will prepare a "Daily Cash Control Sheet", listing each cash handler by register, total cash, total checks, credit card payments, grand total, register total, and amount over or short. A similar form may be used with prior approval by the City Finance Director or his/her designee. The supervisor or his/her designee will then prepare the deposit slip from the "Daily Cash Control Sheet" and initial the deposit slip and the Daily Cash Control Sheet. If a deposit is made at a location other than where cash is received, a sign off form needs to be initialed/signed for the transfer of cash by both parties.

(5) The reporting form, which could be in an electronic format, will be prepared and forwarded to the Finance Division along with all supporting documentation, which may include, but is not limited to, the bank validated deposit slip (if available), Cash Report Form, and the Daily Cash Control Sheet. Make certain to include the "z" tape or register report from the daily close out of the cash register with the supporting documentation. A similar form may be used with prior approval by the City Finance Director or his/her designee. Documentation is due to Finance Division within two (2) business days of the transaction date.

- b) Finance Division personnel will verify the cash receipt batch information into the accounting system and post. Finance Division personnel will verify that the bank deposits balance to the amount on the cash reports.

4. Credit Card Payment

- a) The City Finance Director or his/her designee will authorize the use and installation of credit card terminals.
- b) All departments authorized to accept credit card payments must exercise reasonable care in screening charge transactions to reduce credit card misuse and loss of funds.
- c) Credit card transactions that are handled in person are not valid without an appropriate signature by the cardholder. Cash handlers are responsible for ensuring that the person using the credit card is authorized to do so. Comparison should be made between the signature on the merchant slip and the signature on the back of the credit card. If there is any doubt regarding the validity of the signature, verify the individual's signature by examining another piece of identification. When processing credit card transactions by phone, cash handlers must also retain the cardholder's name, the name of the person calling, a contact phone number and the credit card verification (CCV) security code.
- d) Any debit card presented for payment is to be processed as a credit card. Cash handlers are not allowed to give any "cash back" to customers who make payments with a debit card.
- e) Credit cards without signatures on the back of the cards are not to be accepted without proper identification.
- f) Credit card terminals must be "batched out" (settled) at the end of each business day.
- g) The original sales drafts, batch reports, and batch transmission receipts must be forwarded to the Finance Division on a daily basis. Report credit card sales on the Cash Report Form, the Daily Cash Control

Sheet and the approved reporting form for your location and forward to the Finance Division for processing.

- h) Credit card information (account number, cardholder name, card expiration date, etc.) obtained to process payments in person, by phone or via the Internet, is to be adequately safeguarded to prevent unauthorized use of this information.

- (1) Processed credit card slips should not be kept out in the open, such as on a desk or next to a cash register, but should be kept inside the cash drawer or in a locking drawer.

- i) The City's websites are to be adequately secured so that all credit card information is adequately safeguarded with respect to the transmission and the storage of this information on a server.
- j) The City Finance Director or his/her designee will maintain a complete listing of all authorized credit card terminals.

5. Check Payment

- a) Checks from employees and customers must not be cashed under any circumstance for the purpose of giving cash or change. (Note: The City is not a banking institution and such employees and customers should be referred to a bank to cash their checks). Exception: Checks written for petty cash by the City of Hobbs can be cashed if proper funds are available.
- b) Checks will not be cashed or written for more than the amount of purchase, for the purpose of giving cash or change back.
- c) Checks must be made payable to The City of Hobbs and must be endorsed promptly with a restrictive endorsement stamp "for deposit only to The City of Hobbs."
- d) Verify the check amount written agrees with the written numeric amount.
- e) No two-party checks will be accepted (i.e. checks made payable to one party and endorsed to the City).
- f) No postdated checks will be accepted.

6. Detecting a Fraudulent Check

- a) Look at the check number in the upper right hand corner. ID must be checked for all checks submitted.
- b) Check for stains and discolorations, this may mean the check has been altered.
- c) Make sure the coding on the bottom of the check matches the check number. After the routing and account number, the check number should be listed.
- d) Check for perforations on the check. Most checks will be torn from a check stub.
- e) Ask for ID on any check that looks suspicious. Check the name on the ID and write down the ID number. If in doubt, contact your supervisor.

7. Issuing Refunds

- a) For same day sales, issuing cash refunds from the drawer is strongly discouraged but it is allowed with Department Head approval.
- b) If a refund over \$19.99 is needed, the amount should be entered in an FPO and a check will be mailed to the customer.

8. Cash Overages and Shortages

- a) The following procedures are recommended to be followed for the purpose of determining a cash overage or shortage:
 1. Recount cash for all differences.
 2. Search wastebaskets, cash drawers, dumpsters and workstations thoroughly for any misplaced cash, or other proof of work. Secure trash from accidental disposal overnight if necessary.
 3. Check the edit reports, bill stubs, register tapes, etc. for similar amounts, double, half and third amounts, communication errors, re-entries, cancels, overrides, corrected items and attempt to mentally reconstruct the days transactions.
 4. With supervisor approval, contact any customer having transactions or change orders where the error may have occurred.
- b) The cashier is solely responsible for balancing out at the end of the day or shift and must balance and reconcile any cash differences.
- c) For any cash overages and shortages of \$19.99 or more per day or shift, the supervisor will perform a cash audit at the time of balancing and fill out the Report of Unlocated Cash Differences of \$19.99 or more ; this form must be signed by the employee, respective supervisor, and the Department head. A copy of this form MUST be sent to Finance Division. Finance Division will forward to HR to be filed in the employee's Personnel File.
- d) Cash overages and shortages must be recorded individually on the Cash Over & Short form and identified and recorded on a daily basis on the "Daily Cash Control Sheet" and the reporting form sent to the Finance Division.
- e) Any supporting documentation for cash overages and shortages, including the Cash Over & Short form), should be submitted along with the daily reporting form and forwarded to the Finance Division.
- f) Finance Division must be notified by the next business day when cash is missing or stolen.
- g) Cash overages and shortages will be recorded in the proper cash over/short general ledger account number on the reports sent to the Finance Division.
- h) Cash overages and shortages will be investigated by supervisors and resolved to the fullest extent. A record of overages/shortages should be maintained for each cash handler and regularly reviewed by the supervisor.

9. Deposit Bags

- a) Sealed/tamper resistant plastic deposit bags received from the City's designated bank must be used. No other type of bag is acceptable.
- b) The strip with the tracking number must be removed and retained with the other support maintained for deposits. This strip may also be attached to the daily reporting form which is forwarded to the Finance Division at the Department's discretion.

10. Deposit Preparation

- a) Deposits must be prepared by authorized personnel, independent of the cash handling function and each location should have more than one person who is authorized to prepare the deposit.
- b) The completed deposit slips must be initialed by the person preparing the deposit.
- c) All deposits must be taken to the nearest designation point for courier pickup. The designated location for courier pickup is approved by the City Finance Director or his/her designee. Any deviation from the courier pickup location must be approved by the City Finance Director or his/her designee.
- d) Deposits must be made on a daily basis. If it is determined by the City Finance Director or his/her designee that a cash collection point is unable to comply with this due to unique circumstances, it is the responsibility of the Department Head to ensure that the proper safeguards are in place to maintain accountability. Written justification must be submitted to the City Finance Director or his/her designee for advance approval.
- e) A separate deposit slip and supporting documentation must be filled out for monies received. More than one day of sales should never be combined onto one deposit slip.
- f) To check for mathematical accuracy, verify the total line on the deposit slip matches the bank authenticated amount. If there are any discrepancies, Finance Division must be notified.
- g) In the event that a deposit is not made, the Finance Division must be notified. Written notification, which can be sent in the form of an e-mail, must be made by the following morning explaining why the deposit was not made.
- h) Deposit slips must be locked up when not in use.
- i) All donations, cash bonds and court released forfeitures/seized monies must be deposited immediately into the City's authorized bank account.

11. Keys and Combinations

- a) The keys to each facility with a Cash Collection Point and the keys/combinations to each safe must be assigned by the immediate supervisor or Division/Department Head.
- b) Access to keys and combinations must be limited to as few employees as possible.
- c) A list of employee names that have keys and combinations must be maintained by the Division/Department Head and kept in a locked desk or cabinet for security reasons.
- d) Keys should be in the physical possession of the assigned employee or locked in a drawer or a safe.
- e) Combinations must be memorized. Records of combinations must be kept in a locked safe or drawer, which is only accessible by the Division/Department Head.
- f) It is recommended that locks and combinations be changed when a Cash Handler who has been assigned keys or with knowledge of the combinations no longer needs access or leaves the employment of the City.

12. Physical Security of Cash

- a) All cash drawers must have some form of physical security, such as a lock, which secures the cash receipts.
- b) Cash drawers must be locked when they are unattended. The employee responsible for the cash drawer must keep the key to the cash drawer in his/her possession. The employee must log off his/her computer if the cash drawer is controlled by a computer.
- c) Deposits that are kept overnight and/or over the weekend must be kept in a safe that is locked. The keys to the safe must be kept in the physical possession of the person authorized to have the key.
- d) Individual drawer funds must be segregated and identified for those locations with more than one drawer fund. Locking bags or locking boxes must be used for each drawer fund.
- e) All cash drawers must be closed after each transaction is completed.

13. Surprise Cash Audits

- a) Finance Division personnel will conduct surprise cash audits periodically. Furthermore, it is recommended that the immediate supervisor should also conduct surprise cash audits.
- b) The results of the audits will be communicated with the Department Head. Any deficiencies found are to be resolved and corrected by the immediate supervisor in consultation with the Department Head. A written notice of the corrective action taken is to be communicated with the City Finance Director or his/her designee.
- c) All cash audits will be properly documented and reported. Records are to be kept and maintained of all cash audits in accordance with state record retention regulations.

14. Transporting Cash

- a) Cash receipts must be transported in sealed/tamper resistant plastic deposit bags issued by the bank designated by the City Finance Director or his/her designee.
- b) Certain Cash Collection Points with large cash deposits may desire to use an armored car service at the discretion of the Department Head and with prior approval from the City Finance Director or his/her designee. It is recommended that the route to the bank and the schedule for making deposits be kept confidential and changed periodically.

15. Voided Transactions

- a) No front line personnel are to void transactions.
- b) Transactions that are voided must have supervisory approval; the supervisor's initials or signature by the voided transaction will signify approval.
- c) All transactions that have been voided must be entered into the cash register. Only the designated supervisor of the cash handler has the authority to void a transaction on a batch that has been entered into the accounting system. For those locations with limited staffing, there should be internal controls in place to ensure that the person who has entered a transaction on a batch is not the same person who voids a transaction on a batch that has been entered into the accounting system.
- d) Only Finance Division personnel have the authority to void an entire batch that has been entered into the accounting system.

- e) Support for voided transactions must be included with the rest of the supporting documentation maintained for cash receipts and forwarded to the Finance Division.

C. Cash handling

1. Accepting Cash

- a) The amount of cash accepted must be verbalized to the customer before it is placed in the cash drawer.

Example: If a customer pays with a twenty-dollar bill, the employee accepting the cash must state "out of twenty."

2. Large Bills

- a) For those that utilize cash registers and/or drawers, large bills (\$50's and \$100's) must be placed between the cash tray and the drawer of the register for improved security.
- b) Cash drawers should be organized left to right, larger to smaller denominations (i.e. twenties to ones and quarters to pennies.)

3. Counterfeit Currency

- a) Cash handlers should exercise caution in accepting currency and be aware of distinguishing characteristics in order to better identify an attempt to pass a counterfeit bill. Before accepting any large bills (\$20's, \$50's and \$100's) a counterfeit bill detector pen should be used to ensure the validity of the currency. Another common method of "counterfeiting" money is the practice of creating "raised notes", which is when genuine paper currency is altered in an attempt to increase its face value.
- b) If the cash handler suspects that a customer is attempting to pass counterfeit currency or raised notes, she or he should ask for another bill or alternative payment method. If the customer insists on using the currency, accept it and follow procedures for robbery attempts. If a suspected counterfeit bill is received, initial and date the back of the bill in the bottom border (this way it can be identified if it goes to trial).

4. Returning Change

- a) Change must be verbally counted back to the customer; and should be carried out in the manner most comfortable to the cashier.

Example: Your change is \$12.15 – that is ten, eleven, twelve dollars and fifteen cents.

5. Safeguarding Large Cash Accumulations

- a) Excessive amounts of cash should never be kept in cash drawers and the cash collection points should have rules regarding the cash limits that may be kept in the cash drawer at any one time. Currency in excess of these amounts should be removed in a prescribed manner after balancing and be stored in a secure vault or safe for final balance.

D. Petty Cash

1. Establishing Petty Cash Funds

- a) The City Finance Director or his/her designee will perform a due diligence review of the proposed petty cash funds before activity begins by ensuring the following key provisions of the Cash Handling Policies are in compliance:
 - (1) Appropriate segregation of job duties exists for employee positions proposed to be involved with the petty cash activities.
 - (2) Effective operating procedures are in place to safeguard the petty cash fund.
 - (3) The proposed reporting format is acceptable to the Finance Division.
- b) The amount of the petty cash fund will be determined by the City Finance Director or his/her designee. The City Finance Director or his/her designee, in consultation with the City Manager, will have the authority to deny the establishment of a petty cash fund due to noncompliance.
- c) The City Finance Director or his/her designee will maintain a complete listing of all authorized petty cash funds, including amount and name of custodian.

2. Proper Uses of Petty Cash

- a) Petty cash can be used for authorized reimbursable small expenditures, such as goods and supplies, not to exceed \$50.00.
- b) Petty cash can be used for change, but cash must be exchanged for cash at the time of the exchange.
- c) Funds cannot be used from petty cash for personal use.

3. Using Petty Cash

- a) A Petty Cash Form must be completed in ink and signed by the person requesting the petty cash reimbursement. The petty cash form will include the amount, date, account number, description of transaction, signature of person requesting the reimbursement, and signature of authorizing supervisor.
- b) An authorized supervisor must approve the petty cash form. An authorized supervisor is defined as the supervisor who has FPO and requisition authorization approval for the account number being charged for the item.
- c) Supporting itemized receipts for all petty cash expenditures must be attached to the completed authorized petty cash form.
- d) The petty cash custodian will exchange petty cash to an individual only after receiving the completed authorized petty cash form:
 - (1) as a reimbursement in which case the employee must attach itemized receipts or
 - (2) as an advance to purchase supplies. For advances, the employees must return the itemized receipts of the actual purchases with any unused petty cash fund advances immediately after the purchases are made.

4. Balancing Petty Cash

- a) Petty cash must be balanced, at a minimum, on a monthly basis. The sum of the itemized receipts, attached to the authorized petty cash forms, and the cash must equal the established amount of the petty cash fund.

- b) A supervisor or his/her designee other than the petty cash custodian must perform the balancing of the petty cash fund.
 - c) A worksheet (Attachment H) must be maintained to document the dates that the petty cash fund was balanced. The worksheet will contain the date of balancing, amount the petty cash fund was over or short, and the signature of the supervisor or the designee who balanced and reconciled the fund. A similar form may be used with the prior approval by the City Finance Director or his/her designee.
5. Physical Security of Petty Cash
- a) Petty cash must be segregated from other drawer funds and must be identified as "petty cash."
 - b) Petty cash must be kept in a locked safe or locked drawer when it is not in use.
 - c) The petty cash custodian must maintain keys and/or combinations to locking bags, locked boxes, safes, and locked drawers in a secure location.
6. Replenishment of Petty Cash Funds
- a) The petty cash custodian will enter an FPO in the accounting system using the account numbers and descriptions from the completed, authorized petty cash forms with attached itemized receipts. The vendor will be the City of Hobbs.
 - b) The authorized supervisor will approve the FPO only after reviewing that all itemized receipts and authorized petty cash forms are complete and balance to the amount of the FPO.
 - c) All itemized receipts with attached authorized petty cash forms will be forwarded to the Finance Division after the authorized supervisor has approved the FPO.
 - d) Checks will be made payable to the City of Hobbs. The Finance Division will send the check to the designated department and the department will receive the cash back in the denominations specified by the department.
7. Returning a cash drawer or petty cash
- a) Check with Finance Division for the correct general ledger account number.
 - b) Deposit the cash at the City Clerk's office using the correct general ledger account number.
 - c) Deliver the deposit receipt and petty cash receipts, if any, to the Finance Division.
8. Surprise Petty Cash Audits
- a) Finance Division personnel will conduct surprise petty cash audits on a periodic basis. The results of the audits will be communicated with the Department Head. Any deficiencies found are to be resolved and corrected by the Department Head. A notice of the corrective action taken is to be communicated with the City Treasurer or his/her designee.

- b) All petty cash audits must be properly documented and reported. Records are to be kept and maintained by the Department and the City Finance Director or his/her designee.

E. Security Procedures

1. Robbery

- a) Anytime cash is handled in a public place, a threatening situation can occur that puts personal safety in danger. In the event of a robbery, it is critical to remember that the preservation of human life and safety is of the utmost importance. Always assume that there is a weapon even if one is not in view. Be polite, accommodating and do exactly as the robber asks. Attempt no heroics, but try to pay attention to any distinguishing features of the robber.
- b) After the robber has left the building, hit the alarm button (if one is available); close the cashier window and lock the premises, if possible. Notify the respective supervisor about the robbery. Call 911 and stay on the line until police arrive. Do not speak to anyone, other than your immediate supervisor, until Police have been spoken to and the required police reports have been completed.

2. Fire/Bomb Threat/Sprinklers

- a) In the event of a fire or bomb threat, the cash handler should secure all money by locking the cash drawer and vacate the building as soon as possible. If there is adequate time, secure the money in a safe or vault. Remember to use personal judgment; the preservation of life and safety is the highest priority. Do not remove funds from the premises.

3. Emergency Procedures

- a) Every department that has a cash collection point should have written emergency procedures in place in case of fire, bomb threat or natural disaster. These emergency procedures should be approved by the respective Department Heads and discussed with the cash handlers (i.e., cash handlers should know where all the exits are at his/her facility).

F. Miscellaneous

1. Inventoried Items

- a) An inventory system is required for incidental items that are sold, such as trash bags.
- b) Consult with the City Finance Director or his/her designee to determine whether an inventory system is required.

2. Passes/Gift Certificates

- a) For those City facilities that issue and/or permit passes/gift certificates for certain activities, all passes/gift certificates must be physically verified.
- b) All passes/gift certificates should be pre-numbered in sequential order and kept in a log (i.e., an excel spreadsheet). Winners need to sign the log when receiving awards, gift cards, or passes.

c) All passes/gift certificates must be verified for name and expiration date.

3. Use of the City of Hobbs Tax Identification Number

a) All bank accounts using the City's tax identification number will be authorized and opened only by the City Finance Director or his/her designee. The use of the City's tax identification number on unauthorized bank accounts is prohibited.

VI. PERFORMANCE REVIEWS AND CORRECTIVE ACTIONS

A. Documentation for Performance Review

1. Cash balancing records/corrective actions will be maintained by the supervisor for documentation purposes and for employee cashing performance review purposes.

B. Investigation/Disciplinary Action

1. Any cash differences may result in an administrative investigation, disciplinary action per Article 7 in the Personnel Rules, and/or criminal investigation.

VII. VIOLATIONS OF POLICY

A. Disciplinary Action

1. Violation of this policy will subject the employee to administrative disciplinary action up to and including termination as prescribed in the Personnel Rules and Regulations.

B. Employee Cooperation

1. Employees are required to cooperate fully with any administrative investigation. Failure to cooperate will be considered grounds for termination.

C. Criminal Investigation

1. In addition to an administrative investigation and depending on the circumstances, incidents will be investigated criminally and may result in prosecution for violations of criminal law. Civil remedies may also be explored depending on the circumstances.

D. Polygraph Testing

1. Polygraph testing may be required at any time, for any unbalanced amount, for all personnel involved, including those with access to the safe, keys, etc. Refusal to participate in the polygraph testing will be considered grounds for termination.

E. Surveillance Equipment

1. The City reserves the right to install electronic surveillance equipment at cash collection points.

VIII. EXEMPTIONS

A. Police Informant Funds

1. Cash monies used by the Police Department for investigative purposes are exempt from the scope of these policies and procedures. These monies are subject to an annual internal audit process to insure accountability and maintain internal control.

IX. WRITTEN DEPARTMENTAL PROCEDURES

1. In addition to the cash handling procedures established in this document, it is highly recommended that each cash collection point has its own specific procedures. Written procedures should minimally include a clear separation of duties in the handling of cash receipts, guidelines for the safekeeping of funds and procedures for handling overages and/or shortages including instructions on notifying the appropriate City authority in the event of a loss.

X. BANK RECONCILIATIONS

1. Bank reconciliations must be performed timely and signed by the Finance Director. (note: timely means within 25 days within the following month).




CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 19, 2015

SUBJECT: Professional Engineering Services; Effluent Reuse Project, Phase II
DEPT. OF ORIGIN: Utilities
DATE SUBMITTED: May 11, 2015
SUBMITTED BY: Tim Woomer, Utilities Director

Summary: City's Effluent Reuse Project, Phase II, Mahan to Rockwind GC Effluent Pipeline (Project) is currently being advertised for competitive bids to construct. Ordinance 1083 has also been adopted to execute a 2014 Water Trust Board loan/grant (316-WTB) in the amount of \$3,200,000 for Project construction.


A proposal has been prepared by Project design engineers, Pettigrew & Associates, and subcontractor Wilson & Company, under RFP-442 to provide supporting engineering services for Project bidding, construction, and post-construction phases on an as-needed basis.

Fiscal Impact: \$91,437.07 (@ 7.0% NMGRT) Reviewed By: 
Finance Department

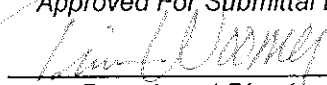

Engineering Services are a not-to-exceed amount of \$91,437.07 and proposal is itemized to reflect separate Project fees for the effluent pipeline and waterline construction if awarded. Hourly rates are per RFP 442-12 (Professional Engineering Services, Effluent Reuse Project), with expenditures related to effluent pipeline construction an eligible local match of 316-WTB. Funding for these services are budgeted within Funds 624062-44901-00167 & 444044-44901-00073.

\$63,792.91 (624062-44901-00167) \$27,644.16 (444044-44901-00073)

Attachments:
Pettigrew & Associates Proposal- Hobbs Effluent Reuse Project Phase II, Mahan to Rockwind

Legal Review: Approved As To Form: 
City Attorney

Recommendation: Staff recommends that a task order under RFP 442-12 be executed with Pettigrew & Associates, to provide supporting engineering services per Proposal dated

<p>Approved For Submittal By:</p> <p> Department Director</p> <p> City Manager</p>	<p>CITY CLERK'S USE ONLY COMMISSION ACTION TAKEN</p> <p>Resolution No. _____ Continued To: _____ Ordinance No. _____ Referred To: _____ Approved _____ Denied _____ Other _____ File No. _____</p>
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PETTIGREW
& ASSOCIATES PA

ENGINEERING | SURVEYING | TESTING
DEFINING QUALITY SINCE 1965

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THE TOP 100 COMPANIES IN NEW MEXICO

LETTER FEE PROPOSAL

To: Leo Wilson
City of Hobbs

From: Debra P. Hicks, PE/LSI

Date: May 4, 2015

Subject: Hobbs Effluent Reuse Project Phase II, Mahan to Rockwind (Base Bid + Alternates 1 to 5) – Fee Proposal to Provide Engineering Services for Bidding, Construction and Post-Construction Phases.

Thank you for the opportunity to submit a fee proposal for the **Hobbs Effluent Reuse Project**. Our engineering team is confident your needs will be met and exceeded for this project.

For nearly 50 years, **Pettigrew & Associates, P.A. (P&A)** has been a leader in fully integrated engineering, surveying, and materials testing, serving New Mexico, Texas, Colorado, Kansas, and Oklahoma and other states. **P&A** is a registered Women-Owned Business (Tx. No. 232933) and Disadvantaged Business Enterprise (NMDOT Certificate No. 04-07-240, DUNS No. 116242926; CAGE/NCAGE No. 3C3WO) wholly prepared to provide Design Services, Construction Materials Testing, Construction Surveying, and Inspection services. With our broad-based experience, detailed knowledge, and commitment to providing exceptional services, **Pettigrew & Associates** will be invaluable to the **City of Hobbs**.

In addition to providing leading edge engineering services, **Pettigrew & Associates** provides comprehensive surveying, materials testing, and construction management services. The firm's success lies in a can-do mentality and roll-up-the-sleeves work ethic. Additionally, all management personnel, from first level supervision to the president, have spent meaningful time in the field, on the job, observing what will work and what will not work in an engineering design. Our vast experience base – county roads, municipal streets, highways, airfields, civil site development, water systems, wastewater systems, parks and recreation, and master planning, materials engineering/testing, and construction surveying - encompasses virtually all areas of civil engineering.

Like many of our clients, you may find the convenience of full integration and potential costs savings of using Pettigrew & Associates for other aspects of your project a valuable benefit. Should you require surveying, materials testing, or other engineering-related services in the future, **Pettigrew & Associates** would be delighted to provide an additional fee proposal based on your specific needs.



ENGINEERING

In 2014, we performed design engineering, construction engineering, surveying, quality assurance, inspection, materials engineering and testing, on hundreds of projects valued at over \$5.3 billion throughout southeastern New Mexico and Texas. Our site development, infrastructure planning and design experience ranges from sites containing less than one acre to 640 acres. Programs for these projects include mining, electric substation sites, power plants, multi-family housing projects, aquatic facilities, parks, education facilities, small and large-scale subdivisions, and museums, as well as numerous commercial developments. Infrastructure design services for these recent project sites have included roads, parking facilities, water and sewer trunk line extensions, lift station, and water wells, as well as on site gas, water, sewer, electric, and communications.

Pettigrew's in-house professionals are qualified and experienced to offer the desired services to complete entire projects in-house. The engineering services include:

- Feasibility Studies
- Master Plans
- Traffic Studies
- Drainage Studies
- Subsurface Utility Engineering
- Final Design and Construction Documents
- Cost Estimating
- Pre-Bid Meetings

Through strategic partnerships, **Pettigrew & Associates** offers additional services including Environmental Assessments (Phase I and II), Structural Steel Inspections, as well as many other specialty surveying and testing services.

SCOPE OF SERVICES

As requested, this proposal is for providing engineering support services for bidding, construction, and post-construction phases for the City of Hobbs Effluent Reuse Project, Phase II Mahan to Rockwind. Currently, the City of Hobbs Effluent Reuse Project, Phase II Mahan to Rockwind consists of a base bid and 5 alternates with the base bid and alternates 1 to 3 under one cover sheet and alternates 4 and 5 under a separate cover sheet.

We further understand that the City will utilize a third-party engineering firm to be the City's Resident Project Representative (RPR) during construction and that our on-site involvement will be limited to monthly progress meetings and site inspections. As always, if increased on-site involvement becomes necessary we can make staff available to meet the City's needs. A more detailed breakdown of the proposed scope of service is as follows:



1. Task 1 – Bidding Phase Services:

- a) Attend Pre-bid meeting – Pettigrew & Associates will have appropriate project personnel in attendance at the pre-bid meeting on May 12, 2015.
- b) Review RFI's During Bidding – Review RFI's received during the bidding process, formulate a response, and discuss the response with the project team before preparing final responses issued via addenda. Assumes all RFI's will be collected and responded to in a single addendum.
- c) Develop an Addendum – Compile and develop a response to RFI's in addendum format to be delivered to the City and combined with responses from the City, Pettigrew & Associates and Wilson & Company in the final addendum to be issued to Bidders.
- d) Review Bids Received – Pettigrew & Associates will review and tabulate the bids received and the engineer's estimate for the base bid and alternates 1 to 5. We will compare unit prices of bids to identify unbalanced bids and review Bidder's qualifications. We will prepare and provide the City with a single recommendation of award letter based upon the evaluation of bids.

2. Task 2 – Construction Phase Services

- a) Attend Pre-Construction Conference – Pettigrew & Associates will have appropriate project personnel that will be involved in monthly construction progress meetings attend the pre-construction conference.
 - b) Submittal Review – Review contractor submittals of the project for suitability and compliance with the intent of the design. We have assumed 20-submittals and re-submittals for the base bid and alternates 1 to 3 and 20-submittals and re-submittals for alternates 4 and 5 over the course of the project.
 - c) Review of Contractor's Monthly Application for Payment – We will review the Contractor's Application for payment for accuracy with the level of completion of design, stored, materials, and mathematics. We will certify each application for payment for the base bid and awarded alternates 1 to 5 and make recommendation to the City for payment.
 - d) Review and Response to RFI's – We will review and respond to all Contractor RFI's for the base bid and awarded alternates 1 to 5 during construction.
 - e) Coordinate with RPR on Field Changes – Pettigrew & Associates will coordinate on a weekly basis with the project RPR on all field changes issued to ensure that the intent of the design is maintained during construction.
 - f) Attend Monthly Progress Meetings and Site Inspections during Construction – Pettigrew & Associates will have two project representatives attend monthly progress meetings and conduct a site inspection of construction activities for the base bid and awarded alternates 1 to 5.
 - g) Attend Monthly Progress Meetings Via Phone – In conjunction with the project representatives attending on-site progress meeting, Mr. Brian Ambrogi, the project engineer for base bid and alternates 1 to 3 on this project, proposes to attend via telephone. This approach has worked well with other City Projects. Mr. Ambrogi will attend key project meetings including the pre-construction meeting, substantial completion inspection, and final completion inspection. Should the City require Mr. Ambrogi to attend other progress meetings they can be included on a time and materials basis.
 - h) Review and Make Recommendation on Change Order Proposals – Pettigrew & Associates will work with the RPR, and the City to review Contractor change order
-



proposals for cost reasonableness. We will provide recommendation to the City on each change order proposal.

- i) Attend Substantial Completion Inspection – Pettigrew & Associates will have two project managers/project engineers in attendance at the substantial completion inspection for the base bid and awarded alternates 1 to 5 and prepare a project punch-list for the Contractor to address before final completion is awarded. We will provide a summary of the punch-list items for the base bid and awarded alternates 1 to 5 to the City to be combined with City comments into a single punch-list. Should the project be deemed substantially complete, Pettigrew & Associates will provide a recommendation letter to the City to award Substantial Completion to the Contractor.
- j) Attend Final Completion Inspection – Pettigrew & Associates will have two project managers/project engineers attend a final completion inspection to ensure that the contractor has addressed all of the punch-list items for the base bid and awarded alternates 1 to 5. Should the project be deemed complete, we will prepare a recommendation letter to the City to award final completion to the contractor.


3. Task 3 – Post-Construction Phase:

- a) Prepare recommendation of Final Payment – Upon final completion, we will review the Contractors final quantities and proposed final and adjusting change order. We will provide recommendation of payment on the base bid and awarded alternates 1 to 5 following our review.
- b) Prepare Record Drawings - We will prepare final record drawings for the base bid and awarded alternates 1 to 5 from the Contractor's and RPR's field markup. Record drawings will be drafted in AutoCAD. Final record drawings will be printed on Mylar and provided to the City in PDF format.
- c) Convert Alignment to GIS format – Following completion of the record drawings, we will convert the CAD alignment to GIS format to be integrated into the City's GIS mapping. We will utilize City standard format for GIS files to ensure compatibility.
- d) Package and Provide Construction Records – We will provide all construction documentation to the City bound in 3-ring binders, and in PDF format following completion of the project.

4. Proposed Fee

- a) We propose completing the work in Tasks 1 through 3 on a time and materials basis with a fee not to exceed \$85,455.20 without prior written authorization from the City of Hobbs.

All fees are presented without New Mexico Gross Receipts Tax (NMGRT). NMGRT will be billed at current rates.



The following is a summary of standard insurance coverage for **Pettigrew & Associates, P.A.**

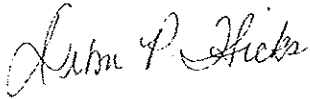
Commercial General Liability:	\$2,000,000 aggregate, \$1,000,000 per occurrence
Automobile:	\$1,000,000 combined single limit (any Auto)
Worker's Compensation:	Statutory: \$500,000
Employer's Liability:	\$500,000 each accident, \$500,000 each employee (disease), \$500,000 policy limit (disease)
Professional Liability:	\$2,000,000 per claim, \$2,000,000 annual aggregate
Umbrella Liability:	\$5,000,000 per occurrence, \$5,000,000 aggregate

Please note:

- a. Required increases to these policy limits may result in additional fees to the Owner.
- b. Professional Liability and E&O Conditions are explicitly limited to "Professional Standard of Care".
- c. Signed copy of attached Letter of Intent is required.
- d. Contractual verbiage of indemnification and warranty may negate Owner's rights to insurance.
- e. Fees presented assume no retainage.

We appreciate the opportunity to present this proposal and look forward to hearing from you.

Sincerely,



Debra P. Hicks, PE/LSI | President & CEO



LETTER OF INTENT

In order to proceed, please sign and return this Letter of Intent acknowledging the terms of the business as detailed.

Attention: Debra P. Hicks
 dhicks@pettigrew.us or 575-393-1543 (fax)
 accountsreceivable@pettigrew.us

Project: Hobbs Effluent Reuse Project, Phase II Mahan to Rockwind (Base Bid + Alternates 1 to 5)

Description of Work: Fee Proposal to Provide Engineering Services for Bidding, Construction and Post-Construction Phases.

Estimated Fees: Not to Exceed \$ 85,455.20 + NMGRT (Est. 7%) = \$ 91,437.07

Thank you for the opportunity to work with you. We look forward to meeting your needs and exceeding your expectations.

Sincerely,

Debra P. Hicks, PE/LSI | President & CEO

By signing below, we accept the terms and conditions of the Letter of Intent.

Company: _____

Name: _____
PLEASE PRINT

Signature: _____

Title: _____

Date: _____

Estimated fee for Civil Services

City of Hobbs Effluent Reuse Project (Bidding, Construction and Post-Construction Services) Prepared by Pettigrew & Associates, P.A.												
Description/Personnel	Principal	Sr. PE/PS	PE/PS	PM	EI III	EI II	EI I	Eng Tech IV	Eng Tech III	Eng Tech II	Eng Tech I	Admin
Attendance at pre-bid meeting	2											
Review RFP's and develop response through agenda including revisions to plans and specifications	1								4			
Review bids received and prepare a recommendation of award letter	3	0	0	15	0	0	0	0	0	0	0	0
Total Man Hours		\$162.00	\$144.00	\$132.00	\$128.00	\$120.00	\$110.00	\$88.00	\$76.00	\$64.00	\$52.00	\$60.00
Rate		\$486.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$352.00	\$0.00	\$0.00	\$0.00	\$0.00
Unit Cost		\$486.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$352.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Labor Cost Task 1 Subtotal												
Subcontractor Task 1 Subtotal												
10% Markup												
Total Labor Cost + Subcontractor + 10% Markup Subtotal TASK 1												
\$2,758.00												
\$4,924.68												
\$5,428.15												
\$8,186.15												

Task 2 - Construction Phase Services												
Attendance at Pre-construction meeting	4											
Substantial Review (30-submittals @ 30-minutes per each)	2											
Monthly review of contractor pay applications (Assume 1 hour per application)	4											
Review and respond to RFP's during construction	4											
Coordination with RFP on field changes (assume 0.5-hr per week)	22											
Attend monthly progress meetings (assume 0.75-hour meeting w/ 0.75-hr inspection for the duration of the project)	42											
Attend Substantial Completion Inspection (Assume 2-hours)	2											
Attend Final Completion Inspection (Assume 2 hours)	2											
Total Man Hours	10	0	0	98	0	0	10	0	0	0	0	0
Rate	\$162.00	\$144.00	\$132.00	\$128.00	\$120.00	\$110.00	\$88.00	\$76.00	\$64.00	\$52.00	\$60.00	\$60.00
Unit Cost	\$1,620.00	\$0.00	\$0.00	\$12,544.00	\$0.00	\$0.00	\$1,100.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Labor Cost Task 2 Subtotal												
Subcontractor Task 2 Subtotal												
10% Markup												
Total Labor Cost + Subcontractor + 10% Markup Subtotal TASK 2												
\$15,264.00												
\$32,462.52												
\$36,908.55												
\$52,072.55												

Task 3 - Post-Construction Phase Services												
Prepare recommendation to City for final payment and construction closeout	1											
Prepare record drawings per Contractor field markups	10											
Printing of Markups and Final Record Drawings	2											
Conversion of CAD files to GIS SHP format in City	4											
Printing and Packaging of Construction Phase Documents	4											
Total Man Hours	1	0	0	16	0	0	0	0	0	0	0	0
Rate	\$162.00	\$144.00	\$132.00	\$128.00	\$120.00	\$110.00	\$88.00	\$76.00	\$64.00	\$52.00	\$60.00	\$60.00
Unit Cost	\$162.00	\$0.00	\$0.00	\$2,048.00	\$0.00	\$0.00	\$0.00	\$9,504.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Labor Cost Task 3 Subtotal												
Subcontractor Task 3 Subtotal												
10% Markup												
Total Labor Cost + Subcontractor + 10% Markup Subtotal TASK 3												
\$11,714.00												
\$12,256.32												
\$13,482.50												
\$25,196.50												

TASKS 1 to 3 Total Cost (Excluding MNGRT) MNGRT (Est. 7%)												
TASKS 1 to 3 Total Costs + MNGRT												
\$85,455.20												
\$5,981.86												
\$91,437.07												



ACTION ITEMS



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 19th, 2015

SUBJECT: (ADOPTION) AN ORDINANCE AMENDING SECTIONS 3.20.040 AND 3.20.080 OF THE HOBBS MUNICIPAL CODE REGARDING THE CITY OF HOBBS PROCUREMENT POLICY
DEPT. OF ORIGIN: Finance Department
DATE SUBMITTED: 05-11-15
SUBMITTED BY: Toby Spears, Finance Director

Summary:

The City of Hobbs is a "home rule charter" government who enacts its own procurement ordinance. The City of Hobbs adopted the home rule procurement ordinance # 1080 on November 17th, 2014. The City of Hobbs needs to update its ordinance to incorporate additional processes and procedures for guidance on procurement. The following is a list of the proposed changes:

- Adds language requiring a Certified Public Accountant to be employed in the Finance Department and making a Certified Procurement Officer optional (if a CPA is maintained within the Department)
- Adds language for annual renewal and review of contracts
- Adds language for determining and maintaining annual employment contracts vs contracts for independent contractors

Fiscal Impact:

Reviewed By: _____

[Signature]
Finance Department

No changes are anticipated with the passage of this proposed ordinance

Attachments: Ordinance

Legal Review:

Approved As To Form: _____

[Signature]
City Attorney

Recommendation:

Staff recommends approval of the Publication of the Ordinance

Approved For Submittal By:

[Signature]
Department Director

[Signature]
City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

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

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

CITY OF HOBBS

ORDINANCE NO. 1084

ORDINANCE AMENDING THE
CITY OF HOBBS PROCUREMENT POLICY

BE IT HEREBY ORDAINED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that Section 3.20.040 sub-section 3.15 of the Hobbs Municipal Code is hereby amended to include the following language:

Section 3.20.040 Purchasing Policy

3.15 CERTIFICATION OF PROCUREMENT OFFICER

The City of Hobbs is required to maintain a Certified Public Accountant within the Finance Department. The certification of a procurement officer is optional as it relates to the City of Hobbs Certified Public Accountant status.

BE IT FURTHER ORDAINED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that Section 3.20.080 sub-section 9 of the Hobbs Municipal Code is hereby amended to include the following language:

Section 3.20.080 Contract Policy/Procedures

9. All contracts will be drafted for a one year term with a three year option to re-new (when applicable). Before the contract year, a reminder notice will be sent by the Finance Department to the department who initiated the contract for review. The department will review and update any terms, scope of services, or any other terms set in the initial contract. Once reviewed, the department will sign the contract reminder notice along with the vendor. This constitutes exercising one of the three year options. Any significant changes to the initial contract will need to be reflected in an amendment to the initial contract, identifying any updates. The amended contract must be signed by all parties listed in the initial contract.

Employment Contracts vs. Contracts of Independent Contractors

All contracts will be subject to review by the City Manager, Personnel Director and Finance Director as it relates to determining whether a contract is considered to be an employment contract or a contract with an independent contractor. (IRS rules apply) Employment contracts will be reviewed annually by the City Manager during his/her evaluation process for the employee. Contracts with an independent contractor will follow the review procedure mentioned in procedure 9 Section VIII of procedures for obtaining a contract.

PASSED, ADOPTED AND APPROVED this 19TH day of MAY, 2015, to become effective June 1, 2015.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 19th, 2015

SUBJECT: An ordinance amending 2.56.050 of the Hobbs Municipal Code

DEPT. OF ORIGIN: Human Resources
DATE SUBMITTED: May 11th, 2015
SUBMITTED BY: Nikki Sweet, Human Resources Director

Summary: Pursuant to 2.56.060, The city manager may propose to the city commission amendments to Chapter 2.56, personnel rules, of the Hobbs Municipal Code.

With the growth of seasonal services The City of Hobbs offers, restricting the hiring of qualified candidates who are related to the city manager, commissioners or mayor to the third kindred has posed a hardship in filling vacant seasonal and temporary positions. Based on the nature and duration of these positions, the modification of the nepotism policy will not cause a conflict of interest.

The current nepotism policy, as adopted in 2003, will be updated to allow for the specified exceptions. Applicants related to the city manager, commissioners or mayor to the third kindred will no longer be excluded from employment in seasonal and temporary roles. In addition, applicants related to other employees who fall within the chain of command but are not related to the third kindred to the direct supervisor or the supervisor's supervisor will no longer be excluded from employment in seasonal and temporary roles.

Fiscal Impact:

Reviewed By: _____

[Signature]
Finance Department

No Fiscal Impact

Attachments:

Ordinance

Legal Review:

Approved As To Form: _____

[Signature]
City Attorney

Recommendation:

The proposed amendment has been appropriately published. Motion to adopt ordinance.

Approved For Submittal By:

[Signature] *Nicholas Goulet*
for Nikki Sweet
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

ORDINANCE NO. 1085

AN ORDINANCE REVISING CHAPTER 2.56.580 OF THE
HOBBS MUNICIPAL CODE REGARDING NEPOTISM

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO that Chapter 2.56 of the Hobbs Municipal Code is hereby revised to read as follows.

2.56.580 Nepotism.

A. It is vital to the public image of the City to avoid the practice or appearance of nepotism in employment. In carrying out this policy, the following rules shall apply without exception unless specifically articulated herein.

1) No relative shall be hired in any capacity if related to the city commissioners, the mayor, or the city manager by blood or marriage to the third degree of kindred except as provided in subsection (A)(5). The third degree of kindred includes spouses, parents, children, brothers, sisters, grandparents, grandchildren, great-grandparents, great-grandchildren, aunts, uncles, nieces and nephews.

2) No person shall be hired, promoted, or transferred to a position which is under the direct supervision or the departmental chain of command of a relative, in this case meaning a blood or marriage relation to the third degree of kindred, as defined in subsection (A)(1) of this section except as provided in subsection (A)(5) .

3) If two (2) employees are in positions of direct or indirect supervision through any departmental chain of command and these two (2) employees establish a relationship by marriage, other operation of law, or through lifestyle accommodations being the substantial equivalent of a family relationship, the city manager may transfer one (1) of the employees to a position removed from the supervisory control of the other if it is determined that such transfer will serve the best interests of the City.

4) Except as provided in subsections (A)(1) and (A)(2) of this section, no applicant or employee who is a relative of another City employee shall be prohibited from seeking and holding a City position or from promotion within the municipal service, provided such recruitment or promotion is conducted in accordance with this chapter and any applicable administrative regulations.

5) Relatives may be appointed to "seasonal" or "temporary" employment if related to the city commissioners, the mayor, or the city manager by blood or marriage to the third degree of kindred, as defined subsection (A)(1) of this section. No "seasonal" or "temporary" person shall be hired, promoted, or transferred to a position in which their immediate supervisor or supervisors supervisor is a relative, in this case meaning a blood or marriage relationship to the third degree of kindred, as defined in subsection (A)(1) of this section.

B. Supervisors will not knowingly allow these nepotism provisions to be compromised and have an affirmative obligation to report any violations to their department head (Ord. 916 (part), 2003)

PASSED, ADOPTED AND APPROVED this 19th day of May, 2015.

SAM D COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 19, 2015

SUBJECT: Award Bid No. 1532-15 Water Supply Well #13 Phase II Project
DEPT. OF ORIGIN: Utilities Department
DATE SUBMITTED: May 11, 2015
SUBMITTED BY: Tim Woomer, Utilities Director

Summary:

Bids were opened at 2:00 PM on Thursday, April 23, 2015 for the Water Supply Well #13 Phase II Project, Bid No. 1532-15. The base project includes the installation of the well collection line and associated appurtenances to connect the new water well to the City's existing Hydro Well Field. The base bid also includes all of the site preparation for the construction of a new well building for well #13. Alternate #1 includes the complete construction of the well house for well #13 including all mechanical fittings, pump, and motor. Alternate #2 includes the complete construction of the well house for well #13 including all mechanical fittings but does not include the pump and motor.

An advertisement was placed in the local newspaper on March 24, 2015. 3 bids were submitted.

Table with 4 columns: Company, Base Bid, Total Base + Alternate 1, Total Base + Alternate 2. Rows include Entrench Inc., J&H Services Inc., and Lasco Construction, Inc.

Entrench Inc. is the lowest bidder, they are properly licensed and their registration with the NMDWS is current. Entrench Inc. has completed projects for the City of Hobbs in the past and is a proven and reputable contractor.

The Utilities Department recommends the award of the base bid plus alternate 2 for the construction of the Water Supply Well #13 Phase II Project to Entrench Inc. as the low bidder in the amount of \$221,325.00.

Fiscal Impact:

Reviewed By: [Signature] Finance Department

Funds for the Water Supply Well #13 Phase II Project are budgeted in FY 15 in account 61-4061-44901-00095.

Amount Available: \$404,047.99
Project Cost: \$221,325.00
Admin/Testing: \$50,000.00

Estimated Construction Cost: \$286,402.77 (Including GRT)

Attachments: Bid Tabulation, West Company of Midland Recommendation Letter

Legal Review:

Approved As To Form: [Signature] City Attorney

Recommendation: Staff recommends the award of the base bid plus alternate #2 for the Water Supply Well #13 Phase II Project, Bid No. 1532-15 to Entrench Inc.

Approved For Submittal By:

[Signatures of Tim Woomer, Department Director and J. J. Murphy, City Manager]

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

Resolution No.
Ordinance No.
Approved
Other

Continued To:
Referred To:
Denied
File No.

BASE BID - WATER SUPPLY WELL #13 - PHASE 2			ENTRENCH		LASCO		J & H		
ITEM NO.	ITEM DESCRIPTION	UNIT	ESTIMATED QUANTITY	UNIT COST (\$/UNIT)	ITEM COST (\$)	UNIT COST (\$/UNIT)	ITEM COST (\$)	UNIT COST (\$/UNIT)	ITEM COST (\$)
1	MOBILIZATION	LS	1	\$5,000.00	\$5,000.00	\$19,721.00	\$19,721.00	\$19,721.00	\$19,721.00
2	DEMOLITION	LS	1	\$2,500.00	\$2,500.00	\$21,656.00	\$21,656.00	\$21,656.00	\$21,656.00
3	CLEARING & GRUBBING, COMPLETE IN PLACE AS SPECIFIED	LS	1	\$1,800.00	\$1,800.00	\$2,742.00	\$2,742.00	\$2,742.00	\$2,742.00
4	CONSTRUCTION STAKING, BY THE CONTRACTOR	LS	1	\$2,400.00	\$2,400.00	\$1,326.00	\$1,326.00	\$3,150.00	\$3,150.00
5	FURNISH & INSTALL 8" DIAMETER C-900 DR-48 PIG WATER LINE INCLUDING TRENCH, EMBEDMENT, BACKFILL, CONNECTION, COMPLETE IN PLACE PER DETAILS & AS SPECIFIED	LF	2,250	\$24.00	\$76,500.00	\$37.00	\$83,250.00	\$29.30	\$65,925.00
6	FURNISH & INSTALL 8" DIAMETER (0.11 M.I.) -850 PSI PRESSURE RATED WATER LINE FITTINGS AS SPECIFIED	LBS	900	\$3.00	\$2,700.00	\$6.00	\$5,400.00	\$4.55	\$4,095.00
7	FURNISH & INSTALL 8" ROMAC STYLE 50T * COUPLING WITH CONCRETE ENCASEMENT (OR APPROVED EQUAL) COMPLETE IN PLACE AS SPECIFIED; CONNECTION BETWEEN D.I.P. AND PIG	EA	1	\$890.00	\$890.00	\$2,293.00	\$2,293.00	\$2,567.00	\$2,567.00
8	FURNISH & INSTALL 8" GATE VALVE VALVE BOX, COMPLETE IN PLACE PER DETAILS AND AS SPECIFIED	EA	1	\$2,250.00	\$2,250.00	\$3,195.00	\$3,195.00	\$2,513.00	\$2,513.00
9	FURNISH AND INSTALL AIR/VACUUM RELEASE VALVE COMPLETE IN PLACE PER DETAILS AND AS SPECIFIED	EA	1	\$1,950.00	\$1,950.00	\$2,845.00	\$2,845.00	\$2,080.00	\$2,080.00
10	FURNISH & INSTALL 2" DIAMETER WATER SERVICE LATERAL (APPROX 210 FEET) INCLUDING TAP AND SADDLE, COMPLETE IN PLACE PER DETAILS (TAP PERFORMED BY CITY) (METER TO BE FURNISHED & INSTALLED BY CITY)	EA	1	\$3,900.00	\$3,900.00	\$2,580.00	\$2,580.00	\$2,000.00	\$2,000.00
11	FURNISH AND INSTALL CONCRETE DRAIN BASIN W/GRATE, PIPE SUPPORTS, AND APPROX. 12 FEET OF 12" DIAMETER PIG PIPE, COMPLETE IN PLACE PER DETAILS	EA	1	\$1,900.00	\$1,900.00	\$4,978.00	\$4,978.00	\$6,885.00	\$6,885.00
12	FURNISH & INSTALL CONCRETE HEADWALL, COMPLETE IN PLACE PER DETAILS	EA	1	\$4,750.00	\$4,750.00	\$3,570.00	\$3,570.00	\$5,250.00	\$5,250.00
13	FURNISH & INSTALL CONCRETE GENERATOR PAD (6' X 10' X 12" THICK), COMPLETE IN PLACE PER DETAILS	EA	1	\$950.00	\$950.00	\$904.00	\$904.00	\$2,510.00	\$2,510.00
14	SOAKPIT AND COMPACT EXISTING SOIL AS SPECIFIED (SEE SITE GRADING LIMITS) (5' MINIMUM)	SY	600	\$12.00	\$7,200.00	\$3.50	\$2,100.00	\$3.65	\$2,190.00
15	FURNISH & INSTALL SELECT FILL, COMPLETE IN PLACE PER DRAWINGS AND AS SPECIFIED	CCY	450	\$19.00	\$8,550.00	\$41.00	\$18,450.00	\$32.50	\$14,625.00
16	BLADE & RESHAPE EXISTING TRAIL ABOVE WATER LINE INSTALLATION, COMPLETE IN PLACE PER DETAILS	LF	1,050	\$3.90	\$4,095.00	\$23.70	\$24,985.00	\$4.20	\$4,410.00
17	FURNISH & INSTALL 8" TALL SECURITY FENCE AND GATES, COMPLETE IN PLACE PER DRAWINGS AND AS SPECIFIED	LF	180	\$105.00	\$18,900.00	\$95.00	\$17,100.00	\$98.00	\$17,640.00
SUBTOTAL BASE BID:				\$146,325.00	\$221,165.00	\$106,938.00	\$175,845.00		

ADDITIVE ALTERNATE #1: PUMP STATION INCLUDING PUMP AND MOTOR			ENTRENCH		LASCO		J & H		
ITEM NO.	ITEM DESCRIPTION	UNIT	ESTIMATED QUANTITY	UNIT COST (\$/UNIT)	ITEM COST (\$)	UNIT COST (\$/UNIT)	ITEM COST (\$)	UNIT COST (\$/UNIT)	ITEM COST (\$)
18A	FURNISH & INSTALL A COMPLETELY FUNCTIONAL PUBLIC WATER SUPPLY WELL, PUMP STATION WHICH INCLUDES BUT IS NOT LIMITED TO, BUILDING, PUMP, MOTOR, DISCHARGE PIPING, FITTINGS, COMPONENTS, ELECTRICAL, POWER SERVICE AND CONTROL EQUIPMENT, APPURTENANCES, AND ALL ITEMS SHOWN ON THE PLANS AND REFERENCED IN THE SPECIFICATIONS.	LS	1	\$108,000.00	\$108,000.00	\$196,892.00	\$196,892.00	\$225,810.00	\$225,810.00
SUBTOTAL ADDITIVE ALTERNATE #1:				\$108,000.00	\$196,892.00	\$225,810.00	\$225,810.00		

ADDITIVE ALTERNATE #2: PUMP STATION WITH PUMP AND MOTOR BY OTHERS			ENTRENCH		LASCO		J & H		
ITEM NO.	ITEM DESCRIPTION	UNIT	ESTIMATED QUANTITY	UNIT COST (\$/UNIT)	ITEM COST (\$)	UNIT COST (\$/UNIT)	ITEM COST (\$)	UNIT COST (\$/UNIT)	ITEM COST (\$)
18B	FURNISH & INSTALL A COMPLETELY FUNCTIONAL PUBLIC WATER SUPPLY WELL, PUMP STATION WHICH INCLUDES BUT IS NOT LIMITED TO, BUILDING, DISCHARGE PIPING, FITTINGS, COMPONENTS, ELECTRICAL, POWER SERVICE AND CONTROL EQUIPMENT, APPURTENANCES, AND ALL ITEMS SHOWN ON THE PLANS AND REFERENCED IN THE SPECIFICATIONS.	LS	1	\$75,000.00	\$75,000.00	\$169,375.00	\$169,375.00	\$175,945.00	\$175,945.00
SUBTOTAL ADDITIVE ALTERNATE #2:				\$75,000.00	\$169,375.00	\$175,945.00	\$175,945.00		

TOTAL BASE BID + ADDITIVE ALTERNATE #1: \$221,325.00

TOTAL BASE BID + ADDITIVE ALTERNATE #2: \$221,325.00

TOTAL BASE BID + ADDITIVE ALTERNATE #1 + #2: \$392,650.00

TOTAL BASE BID + ADDITIVE ALTERNATE #2: \$392,650.00



WEST COMPANY

Civil Engineers ■ Land Surveyors

110 W. Louisiana Ave. ■ Suite 110 ■ Midland, Texas 79701

O: 432.682.0588 F: 432.687.0868

Engineering: Firm 2184 ■ Surveying Firm No: 100682-00

May 7, 2015

Mr. Tim Woomer
City of Hobbs
200 E. Broadway St.
Hobbs, New Mexico 88240

Re: Bid Recommendation
Water Supply Well #13 – Phase 2 (Bid No. 1532-15)

Dear Mr. Woomer:

Bids were received for this project on April 23, 2015, for the bid package which includes the base bid with two additive alternates. The base bid is for the well collection line, additive alternate #1 is for the well house complete with pump and motor, and additive alternate #2 is for the well house with pump & motor by others.

We recommend awarding Bid No. 1532-15 to Entrench, Inc., of Hobbs, New Mexico, who is the lowest responsible bidder for the base bid combined with additive alternate #2. The contract amount for this bid will be \$221,325.00 plus gross receipts tax. The following table lists the bids which were received:

Bidder:	Entrench, Inc.	LASCO Const., Inc.	J & H Services, Inc.
Base Bid:	\$146,325.00	\$212,165.00	\$136,958.00
Additive Alternate #1:	\$108,000.00	\$196,862.00	\$225,810.00
Additive Alternate #2:	\$75,000.00	\$168,375.00	\$175,845.00

We expect this bid to be presented at the next regularly scheduled City Commission meeting. Contract Documents will be prepared and a Notice to Proceed will be issued after the project is awarded by the City Commission.

Please do not hesitate to contact our office if you have any questions or need additional information.

Tim Woomer
Re: Well #13 Phase 2
May 7, 2015



Sincerely,

A handwritten signature in black ink, appearing to read 'Ezequiel Saavedra', is written over the typed name.

Ezequiel Saavedra, P.E.



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 19, 2015

SUBJECT: CONSIDERATION TO APPROVE A DEVELOPMENT AGREEMENT WITH CRV INVESTMENTS, LLC CONCERNING THE DEVELOPMENT OF MARKET RATE MULTI-FAMILY RENTAL HOUSING, LOCATED SOUTHWEST OF THE INTERSECTION OF E. BENDER BOULEVARD & RANCLAND.

DEPT. OF ORIGIN: Planning Division
DATE SUBMITTED: May 11, 2015
SUBMITTED BY: Kevin Robinson - Planning Department

Summary: The City of Hobbs is proposing to enter into a Development Agreement with CRV Investments, LLC concerning the development of multi-family rental housing units located southwest of the intersection of E. Bender Boulevard & Ranchland. The developer proposes to produce 240 multi-family market rate rental units and is requesting infrastructure incentives of the maximum amount per DA of \$400,000.00. The attached development agreement is compliant with the 2015 - Market Rate Multi-Family & Single Family Unit Production Municipal Infrastructure Reimbursement - Incentive Program as promulgated within Resolution #6248 adopted January 20, 2015.

Fiscal Impact:

Reviewed By:

[Signature]
Finance Department

The Developer Agreement should be funded out of the existing Market Rate Multi-Family Housing Account #010100-44901-170.

Attachments: Developers Proposal and Development Agreement.

Legal Review:

Approved As To Form:

[Signature]
City Attorney

Recommendation:

Staff recommends that the Commission consider approval of the attached Development Agreement.

Approved For Submittal By:

[Signature]
Department Director
[Signature]
City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

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

CITY OF HOBBS

RESOLUTION NO. 6297

A RESOLUTION TO APPROVE A DEVELOPMENT AGREEMENT WITH CRV INVESTMENTS, LLC CONCERNING THE DEVELOPMENT OF MARKET RATE MULTI-FAMILY RENTAL HOUSING, LOCATED SOUTHWEST OF THE INTERSECTION OF E. BENDER AND RANCLAND.

WHEREAS, the City of Hobbs is proposing to enter into a Development Agreement with CRV Investments, LLC concerning the development of market rate multi-family rental 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 19th day of May, 2015.

Sam D. Cobb, Mayor

ATTEST:

Jan Fletcher, City Clerk

Request to Establish a Development Agreement between CRV Investments LLC and the City of Hobbs

PROJECT DESCRIPTION

The project will involve the development of 240 apartments. .

Apartment units will be constructed in size from 680 square feet to 1200 square feet. 2/3 of the units will be one bedroom and the balance two bedroom. Attached is a front elevation picture along with a composite floor plan for the typical building.

This complex will include a club house with an exercise room and a pool.

PROJECT NARATIVE

The project will be developed by Ryan Voorhees under the name of "CRV investments LLC." Voorhees has been in the construction and development business for 25 years and has successfully developed over 30 sub divisions , from raw land to build out. These projects include the development of over 2000 commercial and residential lots.

Home construction is done under the name of "Gold Creek homes" details of the company and current projects, may be seen on the web site named "goldcreekhomes.com".

FINANCIAL STATEMENT

Ryan Voorhees wholly owns the operating entities which are private corporations. The project will be self financed. Financial information may be provided at a future date but are generally held confidential.

PROPOSED PROJECT BUDGET

Project construction budgets will be supplied if needed

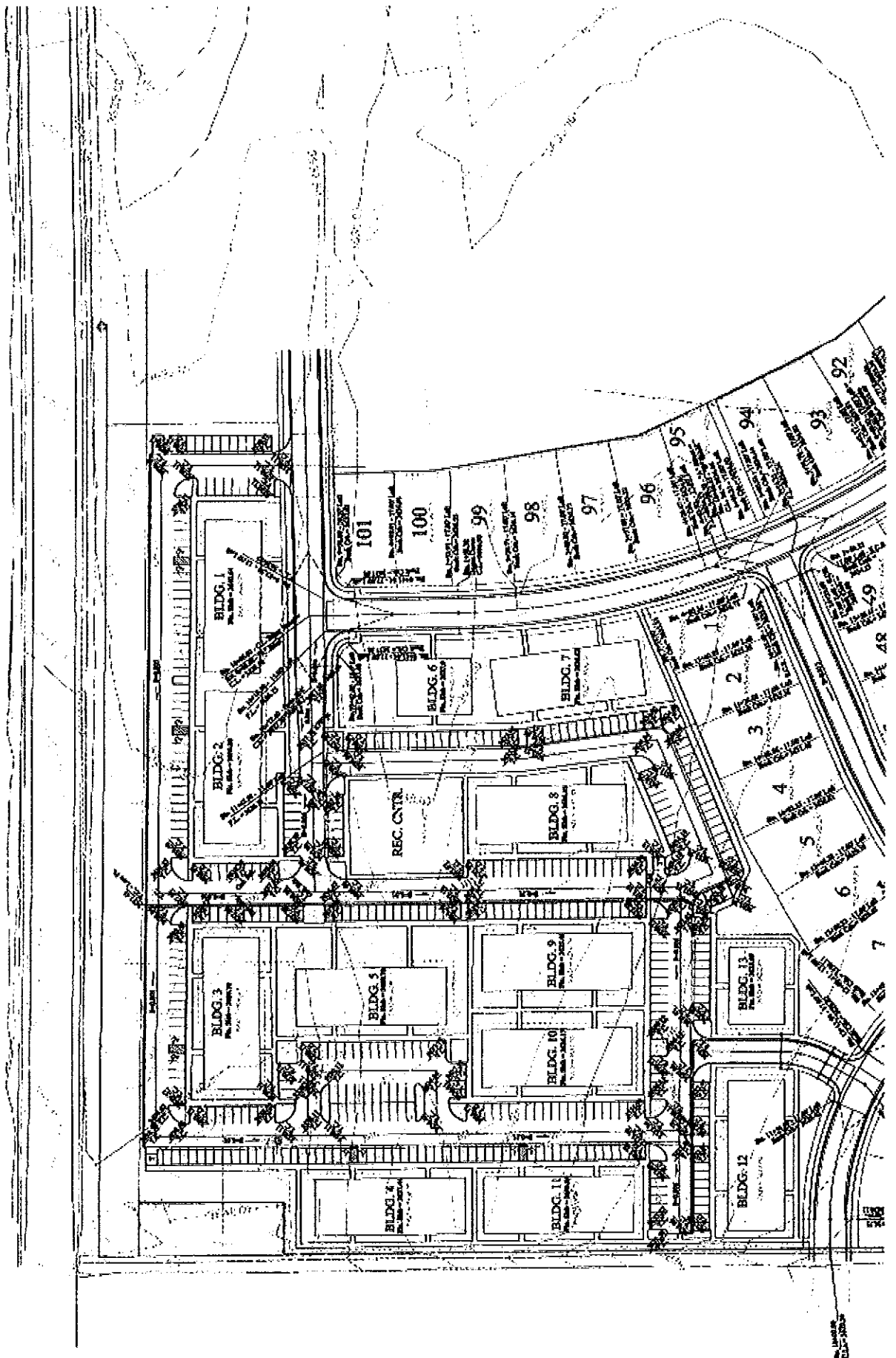
APPLICANT INFORMATION

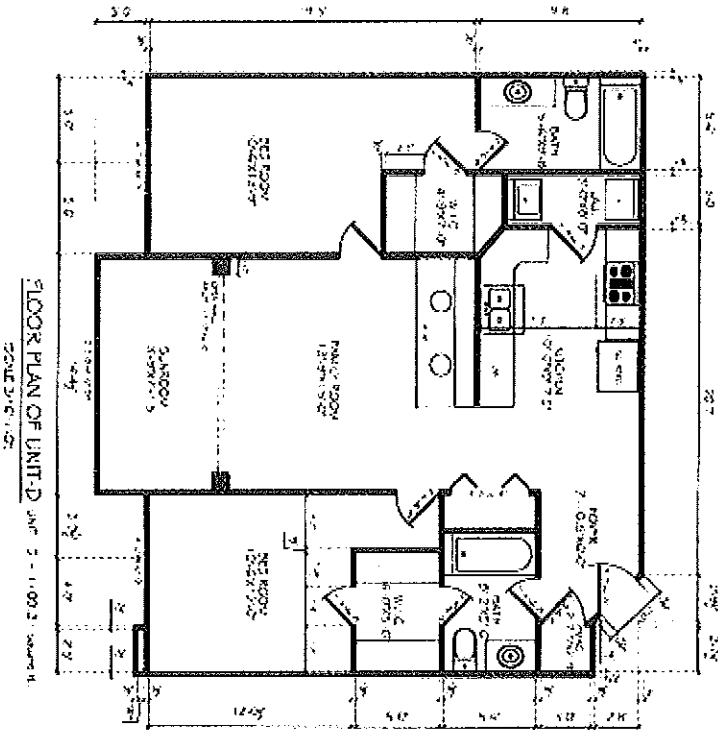
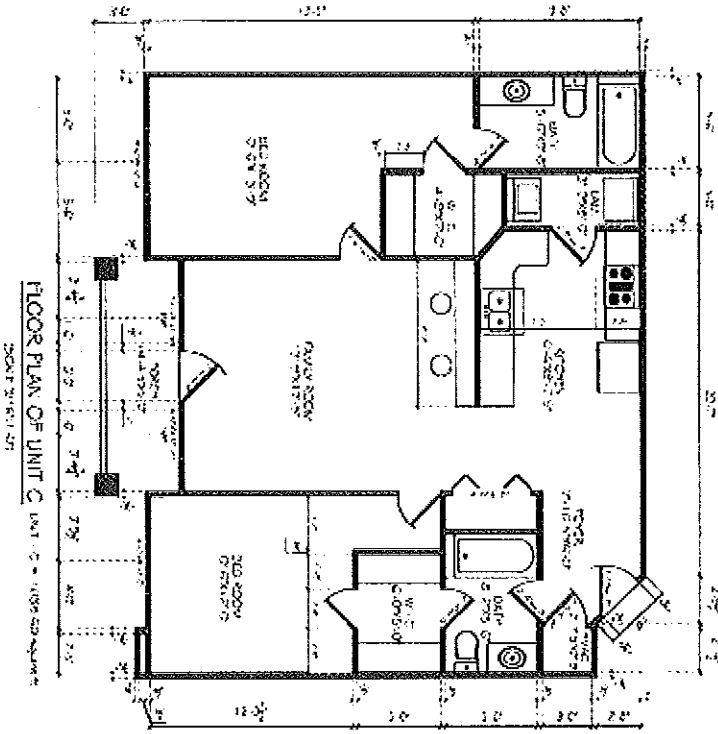
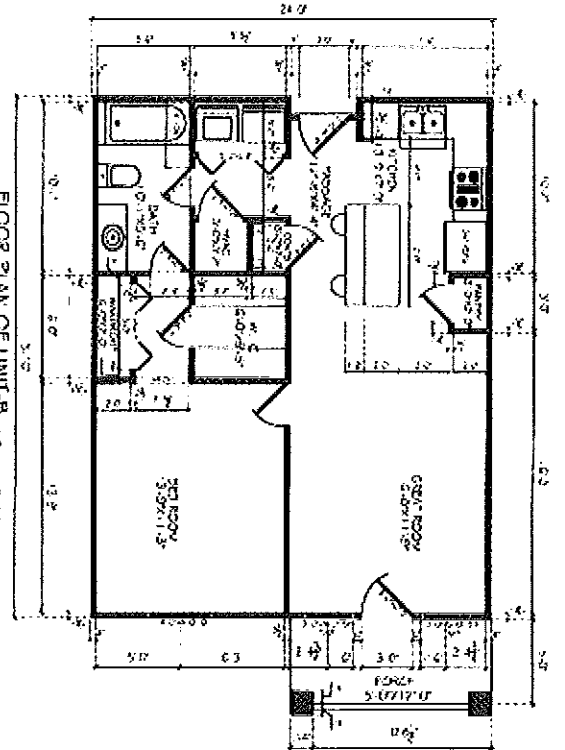
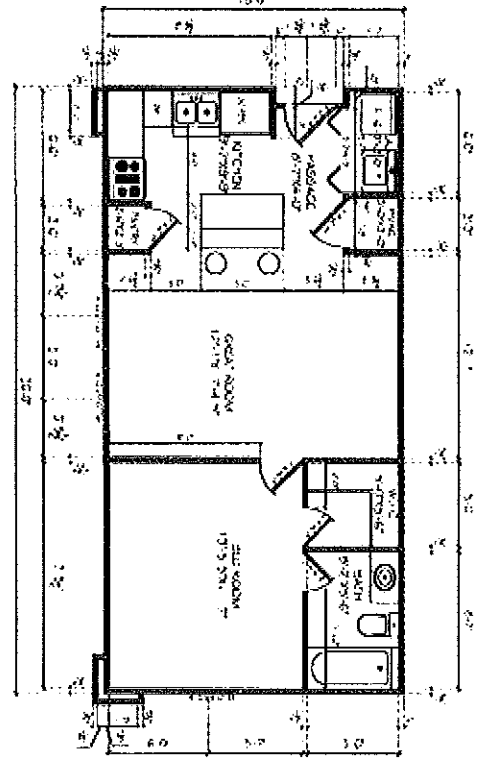
Ryan Voorhees will be the sole owner of Gold Creek Homes and CRV Investments LLC. Voorhees and his related entities have never defaulted on any bond or loan, at any time past or present.

INFRASTRUCTURE NEEDED

The project will include public utilities that will lie within a dedicated Public Utility Easement

We hereby request that this project be considered for infrastructure credits for the access road into the project and the utilities extensions .





DATE: 10/1/57
 DRAWN BY: [Signature]
 SCALE: AS NOTED
 APP. FOR: [Signature]

VALLEY SPRINGS
 GOLD CREEK HOMES

TITLE:
 UNIT PLAN A, B, C
 & D

VALLEY SPRINGS
 GOLD CREEK HOMES
 9800 OT RD
 COLT
 CO 95637

REVISION

44
 of 9

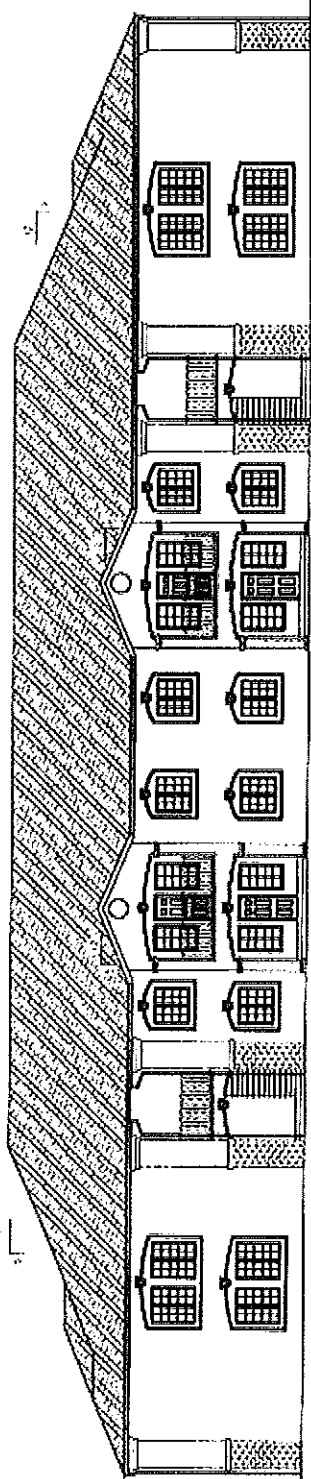
A9
11.8

VALLEY SPRINGS
GOLD CREEK HOMES
ELEVATION AND SECTION A-B

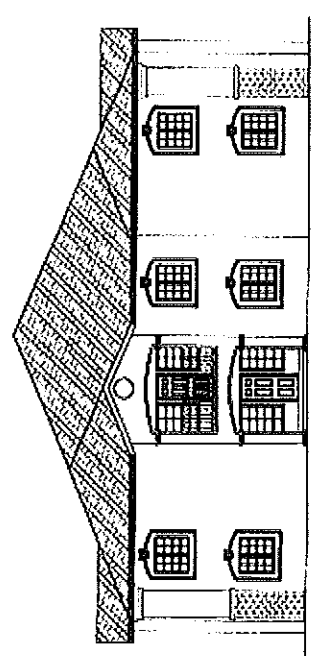
VALLEY SPRINGS
GOLD CREEK HOMES
ELEVATION AND SECTION A-B

VALLEY SPRINGS
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ELEVATION AND SECTION A-B

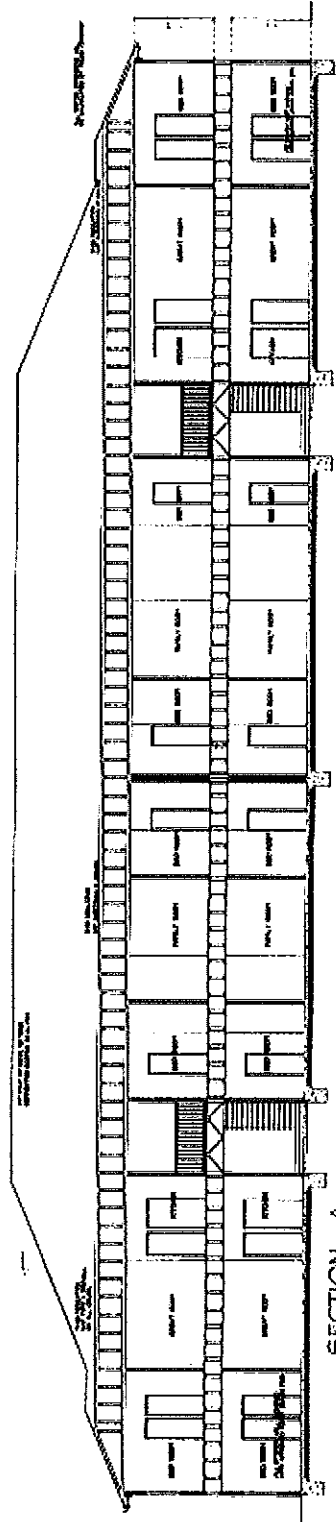
VALLEY SPRINGS
GOLD CREEK HOMES
ELEVATION AND SECTION A-B



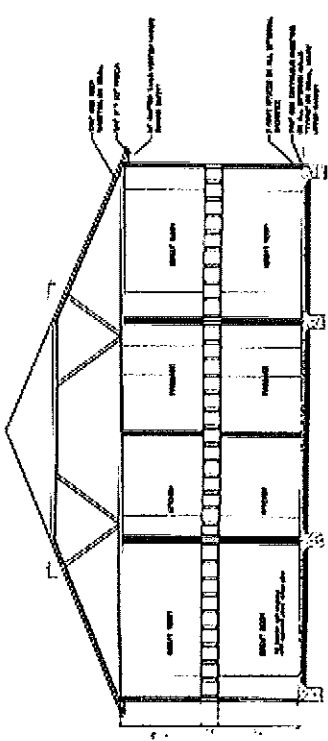
ELEVATION
SCALE 3/8" = 1'-0"



SIDE ELEVATION
SCALE 3/8" = 1'-0"



SECTION - A
SCALE 3/8" = 1'-0"



SECTION - B
SCALE 3/8" = 1'-0"

ENTRENCH, Inc.

Civil Contractors

3311 N. Grimes Hobbs, NM 83240 Phone (575) 492-1914 Fax (575) 392-4492

4/14/2015

Ryan Voorhees

Preliminary
does not include the utilities for the lots

Our price quote is as follows:

HOMESTEAD ESTATES APARTMENTS

ITEM NO.	QTY	UNIT	DESCRIPTION	UNIT PRICE	TOTAL
WATER					
	1	EA	8X6' WATER CONNECTION	\$2,600.00	\$2,600.00
	2,530	LF	8" WATER LINE C900	\$38.00	\$96,140.00
	5	EA	8" WATER VALVE	\$1,800.00	\$9,000.00
	13	EA	8X2" DOMESTIC WATER TAPS	\$1,900.00	\$24,700.00
	13	EA	2" WATER CANS - EXCLUDING METERS	\$975.00	\$12,675.00
	710	LF	2" DOMESTIC WATER LINE	\$22.00	\$15,620.00
	241	LF	6" WATER LINE	\$36.00	\$8,676.00
	18	EA	VALVE BOXES	\$375.00	\$6,750.00
	18	EA	VALVE BOXES ADJUSTMENTS ????		\$0.00
	13	EA	8X6" FIRE LINE TAPS	\$900.00	\$11,700.00
	13	EA	FIRE LINE VALVES ???		\$0.00
	1,059	LF	6" FIRE LINE PVC C900	\$36.00	\$38,124.00
	13	EA	FIRE HYDRANTS	\$4,900.00	\$63,700.00
	8	EA	6" FIRE HYDRANT GATE VALVES	\$410.00	\$3,280.00
			TOTAL WATER		\$292,985.00
SEWER					
	1,455	LF	8" SEWER LINE	\$44.00	\$64,020.00
	900	LF	6" SEWER LINE	\$40.00	\$36,000.00
	12	EA	MANHOLE	\$5,900.00	\$70,800.00
	12	EA	MANHOLE RING & COVER	\$950.00	\$11,400.00
	12	EA	MANHOLE ADJUSTMENTS	\$900.00	\$10,800.00
			TOTAL SEWER		\$193,020.00
OTHER					
	5,600	LF	ELECTRICAL TRENCH	\$10.00	\$56,000.00
					\$0.00
					\$0.00
			TOTAL		\$56,000.00

EXCLUSIONS:

SURVEYING, TESTING, CITY OR STATE PERMITS, METERS AND TAPPING FEES
 IF IT IS NOT SPECIFICALLY LISTED ABOVE IT IS NOT PART OUR BID!
 ANY PART NOT ON THIS BID CAN NOT BE PART OF AN "ALL INCLUSIVE" CIVIL CONTRACT
 ALL UTILITIES WILL COME WITHIN 5' OF THE BUILDING BUT WILL NOT DO ANY PLUMBING CONNECTIONS
 IN THE EVENT ROCK IS ENCOUNTERED DURING EXCAVATION, THERE WILL BE A \$1,500.00 MOBILIZATION
 CHARGE FOR THE ROCKSAW EQUIPMENT ALONG WITH AN ADDITIONAL COST OF \$10.00 - \$15.00 PER
 FOOT OF TRENCH DEPENDING ON IT'S DEPTH.

SUB-TOTAL	\$541,985.00
TAX 6.8125%	\$36,922.73
TOTAL PROJECT COST	\$578,907.73

We hereby propose to furnish labor, materials and equipment to complete the project in accordance with above specifications, for the sum listed above plus the State's Gross Receipt Tax, with payment due upon receipt of invoice. Any alterations or deviations from above specifications involving extra costs will be executed only upon written order, and will become an extra charge over and above the proposed amount above. The property owner and/or the General contractor are responsible for the location of utility lines on private property. Entrench, Inc. is not responsible for damages to underground utility lines which are not located and/or mislocated. Utility lines shall be marked prior to the beginning of work on the project site.

We appreciate this opportunity to bid on your project and hope we can be of service to you and your company, now and in the near future. If you have any questions or require additional information please feel free to call me at (575) 492-1914.

Sincerely,

Alberto Caballero
Entrench, Inc.

**HOUSING DEVELOPMENT AGREEMENT BETWEEN
THE CITY OF HOBBS AND DEVELOPER
CRV INVESTMENTS, LLC**

THIS AGREEMENT is entered into on this 4th day of May 2015 by and between the City Of Hobbs, New Mexico, a municipal corporation (hereinafter "City"); and CRV Investments LLC, 801 Briarwood Street, Weatherford, Texas 76087, (hereinafter "Developer") for the purpose of completing Housing Developer Services to be provided to the City.

RECITALS:

** The City requires to contract with a Housing Development Company to provide services for providing Market Rate Multi-Family Rental Housing to the City and Citizens of Hobbs, New Mexico.

** Developer has submitted a written proposal dated April 15, 2015 to the City to complete the required Housing Developer Services work for 240 market rate multi-family rental units upon developer's property.

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

A. Work To Be Performed.

1. The Developer shall furnish to the City its Professional Housing Developer Services for certain work regarding the Hobbs Multi-Family Rental Housing Project. All work completed under this agreement shall be pursuant to Developer's proposal, which is attached hereto and made a part of this Agreement as Exhibit #1, to the extent that its provisions are not inconsistent with applicable laws. Said document is attached hereto and made a part of this agreement.

2. Developer shall furnish to City its professional Housing Developer Services as provided by this Agreement. The specific duties include all assistance as necessary to produce Market Rate Multi-Family Rental Housing Units in Hobbs. The Developer shall build 240 Units of market rate multi-family rental housing upon developer's property.

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

Incentives are available for installed public municipal infrastructure only. Development Agreement must be in place prior to Municipal Acceptance of infrastructure. Existing Developments that have received DA's prior to 2015 are eligible through 12/31/2015.

a. Incentive not to exceed per square footage basis:

- i. \$10.00 per sq. ft. north of Sanger
- ii. \$20.00 per sq. ft. south of Sanger
- iii. Calculation based on living area only

b. Incentive not to exceed per unit basis:

- i. \$10,000.00 per single family unit
- ii. \$5,000.00 per multi-family unit

c. Incentive not to exceed fair share per linear foot of infrastructure basis:

- i. \$180.00 per lineal front footage of complete public infrastructure installed, and further broken down as follows:

1. **Water** (\$25 / lf):

- a. Twenty Five (\$25) per equivalent front foot of lot to which water service is provided (8" minimum service single family & 10" minimum service for multi-family);

2. **Sewer (\$35 / lf):**
 - a. Thirty Five (\$35) per equivalent front foot of lot to which sewer service is provided (8" minimum service single family & 10" minimum service for multi-family);
3. **Street (\$90/ lf):**
 - a. Ninety (\$90) per equivalent front foot of lot to which street is provided (built to Minor Residential standards as promulgated within the City of Hobbs Major Thoroughfare Plan);
4. **Sidewalk:**
 - a. Thirty (\$30) per equivalent front foot of lot to which sidewalk (includes driveway with ADA accessible path) is provided;

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

During the construction process, the City Engineer may determine that the value of the publicly owned dedicated infrastructure on a project is less than the value of the City subsidy proposed to be contributed to the housing project pursuant to this Agreement, based on quantities of required publicly owned infrastructure installed with the project. In such an instance, the City Engineer may authorize payment of only a portion of the total subsidy originally allocated to the project by the City Commission.

B. Payment For Services.

1. The City shall pay for said services at the rates agreed to and as specified above in the Infrastructure details and the Developer's proposal, as shown herein. Payment will not be made by the City until the construction of the project has been received and accepted by the City as being in compliance with the plans and City specifications, based on this Agreement.
2. The maximum total compensation to be paid to the Developer during the term of this Agreement shall not exceed Four Hundred Thousand Dollars (\$400,000.00), unless the Agreement is amended by the City Commission.
3. City subsidy shall be paid when project is complete and certificate of occupancy is issued. Payment will be made within fifteen (15) days following a written request from the Developer and upon City inspection of project completion. The Developer may request a separate payment for each separate multi-family building unit within a development as each separate multi-family building unit is issued a certificate of occupancy.

C. Construction Requirements.

Construction shall be of energy-efficient design per New Mexico Energy Conservation Code 2009.



D. Assignment of Agreement.

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

E. Insurance Requirements and Hold Harmless Provision.

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

F. Governing Law and Provisions.

1. This Agreement shall be governed by the laws of the State of New Mexico. Jurisdiction and venue relating to any litigation or dispute arising out of this Agreement shall be in the District Court of Lea County, New Mexico, only. If any part of this contract shall be deemed in violation of the laws or Constitution of New Mexico, only such part thereof shall be thereby invalidated, and all other parts hereof shall remain valid and enforceable.
2. If any party is found by a court to have breached this Agreement, the breaching party agrees to pay all reasonable costs, attorney's fees and expenses that shall be made or incurred by another party in enforcing any covenant or provision of this Agreement, including the expenses of in house counsel.

G. Final Payment and Release of Claims.

1. Developer, upon final payment of all amounts due under this Agreement, releases the City and its officers and employees from all liabilities, claims and obligations whatsoever arising from or under this Agreement.
2. City, upon Developer's final completion of all work items and covenants required of the Developer under this Agreement, shall release the Developer from all liabilities, claims and obligations whatsoever arising from or under this Agreement, on the day that is one (1) year 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



Page 4.

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.
 - b) Developer's obtain a City Building Permit within the initial one hundred twenty (120) day period following the execution of this Agreement.
 - c) Developer's failure to obtain a certificate of occupancy for any unit within the initial three hundred sixty five (365) day period following the execution of this Agreement.

2. The following events constitute a breach of this Agreement by City:
 - a) City's failure to process and complete the review of the design and construction plans, following complete submittal of all required documents, or the failure to issue a Building Permit so that Developer's project is unreasonably delayed.
 - b) 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.
3. If Developer fails to obtain a City Building Permit within the initial one hundred twenty (120) day period following the execution of this Agreement, this Agreement shall be automatically terminated.
4. If Developer fails to obtain a certificate of occupancy for any unit within the initial three hundred sixty five (365) day period following the execution of this Agreement, the City Manager may authorize one sixty (60) day extension period. If certificates of occupancy are not obtained at the end of the sixty day extension, this Agreement shall be automatically terminated.

K. 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: CRV Investments LLC, 801 Briarwood Street, Weatherford, Texas 76087, and to such other address as requested by either party. Notice shall be deemed to be received on the fifth day following posting.



L. **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: Samuel D. Cobb, Mayor



By: Ryan Voorhees

ATTEST:

APPROVED AS TO FORM:

JAN FLETCHER, City Clerk

Mike H. Stone, City Attorney



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 19, 2015

SUBJECT: PROPOSED HOBBS POLICE ASSOCIATION AGREEMENT
DEPT. OF ORIGIN: **Administration**
DATE SUBMITTED: **May 13, 2015**
SUBMITTED BY: **Mike Stone, City Attorney**

Summary: This proposal constitutes the fourth complete Collective Bargaining Agreement ("CBA") negotiated between the City of Hobbs and the Hobbs Police Association. Staff negotiated on behalf of the City. The City and Union recently began negotiations and the proposed CBA was ratified by the Hobbs Police Association. This is a five (5) year agreement. A complete CBA is attached.

Fiscal Impact:

Reviewed By: _____

Finance Department

Total anticipated recurring fiscal impact for budget year 2016 is approximately \$508,382.22. (9% initial plus 1.625% per pickup)

Attachments:

Proposed Resolution, new CBA and PTO cost spreadsheet.

Legal Review:

Approved As To Form: _____

City Attorney

Recommendation:

Approve new CBA and corresponding Resolution

Approved For Submittal By:

Department Director

City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

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

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

CITY OF HOBBS

RESOLUTION NO. 6298

A RESOLUTION APPROVING A PROPOSED
COLLECTIVE BARGAINING AGREEMENT
WITH THE HOBBS POLICE DEPARTMENT

WHEREAS, the City of Hobbs and the Hobbs Police Association ("Union") have entered into and participated in negotiations regarding a new Collective Bargaining Agreement (CBA"); and

WHEREAS, the City of Hobbs and the Union finalized negotiations and the proposed CBA was ratified by the Union and is attached hereto; and

WHEREAS, the proposed CBA term is five (5) years;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the Mayor be and hereby is authorized and directed to execute the attached Collective Bargaining Agreement with the Hobbs Police Association.

PASSED, AOPTED AND APPROVED this 19th day of May, 2015.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: May 19th, 2015

SUBJECT: Authorizing a reclassification of Lodgers' Tax expenditures to fund the City of Hobbs – Toby Keith concert

DEPT. OF ORIGIN: City Manager
DATE SUBMITTED: May 15th, 2015
SUBMITTED BY: JJ Murphy, City Manager

Summary:

Funding the Toby Keith concert will require a reclassification of lodgers' tax expenditures from Taylor Ranch project of \$407,000. (amount that was allocated at the lodgers' tax annual meeting). Initial funding for this concert will require \$600,000 to enter into contracts and purchase orders prior to the event. **It is anticipated that total net project cost will be \$200,000 after all revenues are offset against expenditures.**

Fiscal Impact:

Reviewed By: 
Finance Department

Total fiscal impact would be a reclassification of lodgers' tax funds from Taylor Ranch Project to a new event project (010330-42601-00217) in the amount of \$600,000. (407,000 lodgers' tax plus 193,000 general fund). All revenues generated from this event will offset the expenditures. **Total net projected cost for all funds is \$200,000.**

Attachments:

Resolution
Projected Revenue and Expenditure Report

Legal Review:

Approved As To Form: _____
City Attorney

Recommendation:

To be determined by City Commission.

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. 6299

A RESOLUTION AUTHORIZING RECLASSIFICATION OF
LODGERS' TAX FUNDS AND GENERAL FUND EXPENDITURES TO FUND THE CITY
OF HOBBS
TOBY KEITH CONCERT AT WATSON STADIUM

WHEREAS, funding of the Toby Keith concert will require a reclassification of lodgers' tax fund and general fund expenditures in the amount of \$600,000; and

WHEREAS, any revenues generated from this event would offset the majority of cost from the initial \$600,000 to \$200,000;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the Mayor be and hereby is, authorized to allow the reclassification of general funds in order to fund the City of Hobbs – Toby Keith concert.

PASSED, ADOPTED AND APPROVED this 19th day of May, 2015.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

**Proposed Toby Keith Concert
June 22, 2015
Watson Memorial Stadium, Hobbs**

Expenses:

Toby Keith	\$500,000
Producer's Fee	25,000
Stage, lighting, sound, video, production, rider, advertising	<u>75,000</u>
Total Expenses	\$600,000

Revenues:

4,000 tickets @ \$30.00 each	\$120,000
3,000 tickets @ \$20.00 each	60,000
Food and Drink sales	45,000
Golf Tournament Revenue	30,000

Sponsorships:

\$60,000 Committed
\$60,000 Pending
\$ 5,000 Committed

Total Committed Sponsorships 125,000

\$5,000 Available
\$5,000 Available
\$5,000 Available
\$5,000 Available

Total Available Sponsorships 20,000

Total Revenue \$540,000

**Net Cost to the Lodgers' Tax Fund
for Proposed Toby Keith Concert \$200,000**

*** All General Fund dollars will be reimbursed**