

Commission Meeting Agenda



Mayor

Samuel D. Cobb

City Commission

Marshall R. Newman

Christopher R. Mills

Patricia A. Taylor

Joseph D. Calderón

Dwayne Penick

Don R. Gerth

Acting City Manager

Manny Gomez

December 3, 2018



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

Monday, December 3, 2018 - 6:00 p.m.

Sam D. Cobb, Mayor

Marshall R. Newman
Commissioner - District 1

Christopher R. Mills
Commissioner - District 2

Patricia A. Taylor
Commissioner - District 3

Joseph D. Calderón
Commissioner - District 4

Dwayne Penick
Commissioner - District 5

Don R. Gerth
Commissioner - District 6

A G E N D A

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

CALL TO ORDER AND ROLL CALL

INVOCATION AND PLEDGE OF ALLEGIANCE

APPROVAL OF MINUTES

1. Minutes of the November 19, 2018, Regular Commission Meeting

PROCLAMATIONS AND AWARDS OF MERIT

2. Presentation of Police Meritorious Award (*Police Chief Chris McCall*)
 - ▶ Brandon Marinovich
 - ▶ Crystal Marin
 - ▶ Nik Mann
 - ▶ Nicholas Pereyra
 - ▶ Ahmaad White

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

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.)*

3. Resolution No. 6740 - Authorizing the Appointment of Garry Buie and Ronnie Munoz to the Labor Management Relations Board *(Mayor Sam Cobb)*

DISCUSSION

ACTION ITEMS (Ordinances, Resolutions, Public Hearings)

4. **FINAL ADOPTION:** Ordinance No. 1120 - Amending Chapter 12.32 of the Hobbs Municipal Code Related to Prairie Haven Memorial Park Columbarium Fees *(Doug McDaniel, Parks and Recreation Director)*
5. Consideration of Approval to Purchase a 2018 Mack Class 8 Truck with Fifth Wheel from Bruckner Truck Sales, Inc., in the Amount of \$149,055.58 Utilizing New Mexico GSA Contract Pricing *(Tim Woomer, Utilities Director)*
6. Consideration of Approval of Bid No. 1572-19 for Marland Lift Station Forcemain Replacement and Recommendation to Accept Proposal from Entrench, Inc., in the Amount of \$157,250.00 *(Tim Woomer, Utilities Director)*
7. Resolution No. 6741 - Approving a Development Agreement with ABS Homes Concerning the Development of Market Rate Single Family Housing Units *(Kevin Robinson, Development Director)*
8. Resolution No. 6742 - Approving a Development Agreement with Gold Creek Homes Concerning the Development of Market Rate Single Family Housing Units *(Kevin Robinson, Development Director)*

9. Resolution No. 6743 - Approving a Utility Extension Development Agreement with Bonafide Ventures, LLC, to Provide Water and Sewer Service to a Tract of Land Located Southeast of the Intersection of East Sanger and Landfill Road (*Kevin Robinson, Development Director*)
10. Resolution No. 6744 - Approving a Utility Extension Development Agreement with J & H Services, Inc., to Provide Water Service to a Tract of Land Located Northwest of the Intersection of West Mahan and Carr Lane (*Kevin Robinson, Development Director*)

COMMENTS BY CITY COMMISSIONERS, CITY MANAGER

11. Next Meeting Date:

- ▶ City Commission Regular Meeting
Monday, December 17, 2018, at 6:00 p.m.

ADJOURNMENT

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the above meeting, please contact the City Clerk's Office at (575) 397-9207 at least 72 hours prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the City Clerk's Office if a summary or other type of accessible format is needed.



CITY OF HOBBS

COMMISSION STAFF SUMMARY FORM

MEETING DATE: December 3, 2018

SUBJECT: City Commission Meeting Minutes

DEPT. OF ORIGIN: City Clerk's Office
DATE SUBMITTED: November 28, 2018
SUBMITTED BY: Jan Fletcher, City Clerk

Summary:

The following minutes are submitted for approval:

- ▶ Regular Commission Meeting of November 19, 2018

Fiscal Impact:

Reviewed By: _____
Finance Department

N/A

Attachments:

Minutes as referenced under "Summary".


Legal Review:

Approved As To Form: _____
City Attorney

Recommendation:

Motion to approve the minutes as presented.

Approved For Submittal By:



Department Director



City Manager

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

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

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

Minutes of the regular meeting of the Hobbs City Commission held on Monday, November 19, 2018, in the City Commission Chamber, 200 East Broadway, 1st Floor Annex, Hobbs, New Mexico.

Call to Order and Roll Call

Mayor Cobb 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 Sam D. Cobb
Commissioner Marshall R. Newman
Commissioner Christopher Mills (*via telephone*)
Commissioner Patricia A. Taylor
Commissioner Joseph D. Calderón
Commissioner Dwayne Penick
Commissioner Don Gerth

Also present: Manny Gomez, Acting City Manager/Fire Chief
Efren Cortez, City Attorney
Chris McCall, Police Chief
Shane Blevins, Police Captain
Clipper Miller, Police Captain
Barry Young, Deputy Fire Chief
Toby Spears, Finance Director
Shelia Baker, General Services Director
Todd Randall, City Engineer
Shannon Carter-Arguello, Municipal Court Administrator
Doug McDaniel, Parks and Recreation Director
Catherine Vorrasi, CORE Facility Director
Ron Roberts, Information Technology Director
Meghan Mooney, Communications Director
Tracy South, Assistant Human Resources Director
Raymond Bonilla, Community Services Director
Art De La Cruz, Code Enforcement Superintendent
Sandy Farrell, Library Director
Ann Betzen, Risk Manager/Executive Assistant
Mollie Maldonado, Deputy City Clerk
Jan Fletcher, City Clerk
19 citizens

Invocation and Pledge of Allegiance

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

Approval of Minutes

Commissioner Newman moved that the minutes of the regular meeting held on November 5, 2018, be approved as presented. Commissioner Gerth seconded the motion and the vote was recorded as follows: Newman yes, Mills yes, Taylor yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried.

Proclamations and Awards of Merit

Proclamation Proclaiming November 24, 2018, as "Small Business Saturday".

Mayor Cobb proclaimed November 24, 2018, as "Small Business Saturday". He read the proclamation and encouraged residents to shop in Hobbs.

Presentation of the Hobbs Police Department Chief's Commendation Award to Sgt. Alvin Mattocks.

Police Chief Chris McCall presented the Chief's Commendation Award to Sgt. Alvin Mattocks. He stated Sgt. Mattocks made a traffic stop which led to an operation called "Cable Guy". Police Chief McCall stated the Drug Task Force and the Drug Enforcement Administration (DEA) were involved and the operation resulted in the confiscation of methamphetamine and cocaine valued at \$1.5 million. He stated because of Sgt. Mattocks' alertness and intuition, drugs valued at \$1.5 million were removed from the streets of Hobbs.

Recognition of Employee Milestone Service Awards for November, 2018.

Acting City Manager/Fire Chief Manny Gomez recognized the employees who have reached milestone service awards with the City of Hobbs for the month of November, 2018. He read their job titles and gave a brief summary of the job duties performed by each of the following employees:

- ▶ 5 years - Reanna Molinaro, Hobbs Police Department
- ▶ 5 years - Teresa Grady, Hobbs Police Department
- ▶ 5 years - Brandon Marinovich, Hobbs Police Department
- ▶ 10 years - Noa Avila, Hobbs Fire Department
- ▶ 10 years - Maria Torres, Environmental Services
- ▶ 15 years - Frank Crane, Utilities Department
- ▶ 15 years - Travis Jackson, Hobbs Police Department

Acting City Manager/Fire Chief Gomez thanked the Commission for recognizing the employees for their service to the City. He stated the employees are the most important

resource and asset within the organization. Acting City Manager/Fire Chief Gomez expressed thanks and appreciation to the employees and their families.

Public Comments

Mayor Cobb stated tonight is the first meeting under the new Rules of Procedure for the City Commission in which a sign-up form is utilized for citizens wishing to speak under public comment. For the record, the Mayor noted there were no citizens who signed the Public Comment Registration Form who wished to speak.

Consent Agenda

There were no Consent Agenda items to be presented to the Commission.

Discussion

Update from the Economic Development Corporation of Lea County (EDC).

Mayor Cobb recognized Mr. Steve Vierck, Economic Development Corporation (EDC) President/CEO, Mr. Finn Smith, EDC Chair, and Ms. Geni Cavanaugh, Director of Marketing, in the audience.

Mr. Vierck, Mr. Smith and Ms. Cavanaugh presented an update to the Commission on activities at the EDC. Mr. Smith stated the EDC continues to be dedicated to expanding and diversifying Hobbs' and Lea County's economy. This is achieved through recruiting new employers, assisting with retention and expansion of existing businesses and strengthening the EnergyPlex brand recognition. EDC also performs critical community capacity building work in areas such as housing, air transportation, legislative advocacy and workforce development. EDC supported options D and C on the Bureau of Land Management Rules. Option D prioritized mineral development and extraction while minimizing constraints to future growth. Option C achieved that balance while not harming current and future jobs and investment. EDC spoke at the public hearings against the 6th Racino in Clovis, New Mexico, and sent a letter urging the racing Commission to give more economic consideration to the action.

Mr. Vierck reviewed activities related to marketing the EnergyPlex and business retention and expansion. He stated FlyHobbs continues to grow with load factor increases, The EDC stated it is hard to get survey data returned to determine whether the travel activities are for business or other purposes.

Ms. Cavanaugh detailed the activities of the social media and advertising for FlyHobbs, retail efforts and consideration to attract new retailers and print marketing. She stated

upcoming events will be the Buyer Supplier Networking Conference in the spring of 2019 and the New Mexico EnergyPlex Conference in the summer of 2019.

Mr. Vierck stated while the EDC has focused on many aspects of retail development, there are definitely some obstacles. He reviewed some of those needs and stated an updated traffic count would be helpful for the main streets in Hobbs. He also stated additional funding will be requested to conduct a survey related to an analysis of retail incentives and the Gross Receipts Investment Program (GRIP).

Mr. Smith concluded by stating the EDC will be carrying out a multi-faceted approach to continue making good progress overall to increase public advocacy efforts to counter and anticipate State challenges to the oil and gas sector. He stated with new leadership at the State, it is vitally important to showcase Lea County and tell them why Lea County is important. He encouraged the Mayor and Commission to attend the Evening with Lea County event on January 31, 2019, where they will promote local business concerns such as hiring, housing, and the need for more retail and training. Mr. Smith stated the EDC will emphasize as well that FlyHobbs use is at record levels. He stated EDC will be requesting assistance in funding for a survey of residents about desired retailers, updated traffic counts for main streets in Hobbs and an analysis of retail incentives with Catalyst. Mr. Smith thanked the Commission for their time and attention to the presentation.

Commissioner Taylor left the meeting at 6:55 p.m.

Mayor Cobb thanked Mr. Vierck, Mr. Smith and Ms. Cavanaugh for their presentation.

Update from the Center of Recreational Excellence (CORE).

Ms. Catherine Vorrasi, CORE Facility Director, presented an update from the Center of Recreational Excellence (CORE). She stated the CORE has been very busy since the Grand Opening. Ms. Vorrasi reviewed data for the months of September, 2018, and October, 2018, for fitness use, day passes, monthly membership, annual membership sales, Kid Watch, Kid Fit, group class activities and revenue. She agreed with the EDC presentation that it is hard to find prospective employees as they have nowhere to live. Ms. Vorrasi stated the CORE has a great crew who have a great sense of pride in the facility.

In response to Commissioner Penick's question, Ms. Vorrasi stated the revenue for October was \$113,000 and the revenue for September was \$144,000. She stated she is anxious to review a full report in January containing six months of revenue, expenses and activity information which will provide a much better picture than two months worth of data.

Action Items

There were no Action Items to be presented to the Commission.

Comments by City Commissioners, City Manager

Mayor Cobb stated the next regular Commission meeting will be held on Monday, December 3, 2018.

Acting City Manager/Fire Chief Gomez wished everyone a Happy Thanksgiving and stated City Offices will close at noon on Wednesday, November 21, 2018, and will be closed all day on November 22nd and 23rd in observance of the Thanksgiving Holiday.

Commissioners Gerth, Mills, Calderón, Penick and Newman wished everyone a Happy Thanksgiving and safe travels during the holiday.

Mayor Cobb stated 18 major oil companies have formed an Energy Alliance for the common purpose of strengthening the communities in West Texas and Southeastern New Mexico where they operate. He stated it is very important for our community.

Mayor Cobb also wished everyone and their families a Happy Thanksgiving.

Adjournment

There being no further business or comments, Commissioner Newman moved that the meeting adjourn. Commissioner Calderón seconded the motion and the vote was recorded as follows: Newman yes, Mills yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. The meeting adjourned at 7:10 p.m.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk



CONSENT AGENDA



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: 12-3-18

SUBJECT: A Resolution Authorizing the Mayor to Make Appointments to the Labor Management Relations Board.

DEPT. OF ORIGIN: Mayor's Office
DATE SUBMITTED: 11-19-18
SUBMITTED BY: Ann Betzen

Summary:

The Mayor would like to appoint Garry Buie and Ronnie Munoz to the Labor Management Relations Board. Term will expire September 1, 2019.

Fiscal Impact:

There is no effect on the current year budget.

Reviewed By:  Department

Attachments:

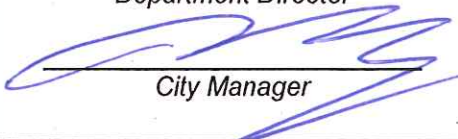
Resolution

Legal Review:

Approved As To Form:  City Attorney

Recommendation:

Motion to approve Resolution.

<p>Approved For Submittal By:</p> <p>_____</p> <p>Department Director</p> <p></p> <p>City Manager</p>	<p style="text-align: center;">CITY CLERK'S USE ONLY COMMISSION ACTION TAKEN</p> <table> <tr> <td>Resolution No. _____</td> <td>Continued To: _____</td> </tr> <tr> <td>Ordinance No. _____</td> <td>Referred To: _____</td> </tr> <tr> <td>Approved _____</td> <td>Denied _____</td> </tr> <tr> <td>Other _____</td> <td>File No. _____</td> </tr> </table>	Resolution No. _____	Continued To: _____	Ordinance No. _____	Referred To: _____	Approved _____	Denied _____	Other _____	File No. _____
Resolution No. _____	Continued To: _____								
Ordinance No. _____	Referred To: _____								
Approved _____	Denied _____								
Other _____	File No. _____								

CITY OF HOBBS

RESOLUTION NO. 6740

A RESOLUTION AUTHORIZING THE MAYOR
TO MAKE APPOINTMENTS TO
THE LABOR MANAGEMENT RELATIONS BOARD

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the Mayor be and hereby is authorized to appoint Garry Buie as the Management Representative and Ronnie Munoz as the Labor Representative to the Labor Management Relations Board.

PASSED, ADOPTED AND APPROVED this 3rd day of December, 2018.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk



ACTION ITEMS



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: December 3, 2018

SUBJECT: Adoption of An Ordinance Amending Chapter 12.32 Of The Hobbs Municipal Code Related to Prairie Haven Memorial Park Columbarium Fees.

DEPT. OF ORIGIN: Parks and Recreation
DATE SUBMITTED: November 27, 2018
SUBMITTED BY: Doug McDaniel, Parks and Recreation Director

Summary:

Hobbs Municipal Code Section 12.32.060 contains the cost and fee schedule for the various cemetery locations within the City of Hobbs. These fees also include the fees for placement and care of columbarium niches at Prairie Haven Memorial Park. It was brought to the attention of staff that customers seeking to simultaneously place two sets of cremains of loved ones were being charged two (2) fees, one for each set. This was contrary to the intent of the Cemetery Board when the Board recommended and adopted the fee schedule. Pursuant to NMSA 1978, §3-40-5, on September 12, 2018, the Cemetery Board convened and voted to recommend the proposed changes to Chapter 12.32 to reflect the Board's intent of only charging one fee when two (2) sets of cremains are simultaneously placed.

Fiscal Impact:

There is no fiscal impact for this proposed ordinance amendment.

Reviewed By: 
Finance Department

Attachments:

Proposed Ordinance

Legal Review:

Approved As To Form: 
City Attorney

Recommendation:

The Commission should adopt the Ordinance as amended.

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

ORDINANCE NO. 1120

AN ORDINANCE AMENDING CHAPTER 12.32 OF THE HOBBS MUNICIPAL CODE
RELATED TO PRAIRIE HAVEN MEMORIAL PARK COLUMBARIUM FEES

NOW THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the following section of Chapter 12.32.060 of the Hobbs Municipal Code are hereby amended to read as follows:

12.32.060 - Lot prices and fees.

**Prairie Haven Memorial Park
Columbarium**

Cremains—12"×12" niche, including \$30.00 maintenance fee \$530.00

Placement fees include:

Placement \$500.00

Perpetual care fee 30.00

Saturday and/or City observed holiday service additional fee 400.00

**Each niche will be allowed two (2) cremains, each requiring a \$500.00 placement fee and \$30 perpetual care fee unless the two (2) cremains are placed simultaneously at which time only one \$500.00 placement fee and \$30.00 perpetual care fee shall apply.

PASSED, ADOPTED AND APPROVED this 3rd day of December, 2018.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk




CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: December 3, 2018

SUBJECT: GSA Purchase of 2018 Mack Class 8 Truck with Fifth Wheel
DEPT. OF ORIGIN: Utilities
DATE SUBMITTED: November 16, 2018
SUBMITTED BY: Tim Woomey, Utilities Director

Summary:

The City of Hobbs Utilities Department requests the purchase a 2018 Class 8 Mack Semi-Tractor utilizing GSA contract number 61-805-16-14415. The purchase of this vehicle would replace a 2000 Mack Class 8 truck that is in need of major mechanical repairs. This vehicle serves a critical function of sludge disposal by hauling unprocessed bio-solids to the landfill when our sludge processing equipment is offline.

Fiscal Impact: \$149,055.58 (Including NMGRT) Reviewed By: 
Finance Department

The total cost of the vehicle is \$149,055.58, (Including NMGRT) which will come from funds budgeted in the Utilities Enterprise Fund, account number 634375-43003 (Vehicle Replacement).


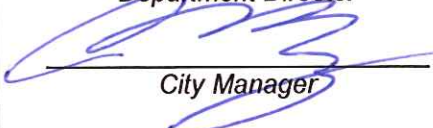
Attachments:

- GSA Contract Number 61-805-16-14415
- Contract price quote

Legal Review: Approved As To Form: 
City Attorney

Recommendation:

Approve the purchase of a 2018 Mack Class 8 Truck with Fifth Wheel at a cost of \$149,055.58.

<p>Approved For Submittal By:</p> <p> Department Director</p> <p> City Manager</p>	<p style="text-align: center;">CITY CLERK'S USE ONLY COMMISSION ACTION TAKEN</p> <table><tr><td>Resolution No. _____</td><td>Continued To: _____</td></tr><tr><td>Ordinance No. _____</td><td>Referred To: _____</td></tr><tr><td>Approved _____</td><td>Denied _____</td></tr><tr><td>Other _____</td><td>File No. _____</td></tr></table>	Resolution No. _____	Continued To: _____	Ordinance No. _____	Referred To: _____	Approved _____	Denied _____	Other _____	File No. _____
Resolution No. _____	Continued To: _____								
Ordinance No. _____	Referred To: _____								
Approved _____	Denied _____								
Other _____	File No. _____								



UTILITIES DEPARTMENT

200 E. Broadway
Hobbs, NM 88240

575-397-9315 tel
575-397-9370 fax

MEMORANDUM

To: Manny Gomez, Acting City Manager

From: Tim Woomer, Utilities Director
Bill Griffin, WWRF Superintendent

Date: April 5, 2018

Subject: Justification - Replacement of Utilities Semi-Tractor; Unit Number 666

Please review this justification for the replacement of the Mack semi-truck/tractor utilized at the Wastewater Reclamation Facility in the 2019 Fiscal Budget.

- Our current vehicle is a year 2001 Mack model RD688S with 5,297 hours and 85,967 miles.
- Budget request - \$150,000.00; Account 634375-43003 Vehicle Replacement. The Mack semi-truck/tractor, Unit Number 666, will be sent to auction.
- This truck, Unit Number 666, is used to pull our Bio-solids Trailer, Tanker Trailer, and Side Dump Trailer to perform various jobs/tasks.
- The critical function of this unit is to haul unprocessed bio-solids to the landfill when our bio-solids dryer or centrifuge is down for maintenance or repairs. The City is not permitted to stockpile unprocessed bio-solids on site and stockpiling unprocessed bio-solids generates odors that negatively affect local residents' life quality and contradicts our mission.
- Additionally, in order for the City to haul bio-solids, the semi-truck and trailer(s) must be individually permitted by the NMED to haul Special Waste. Therefore, the bio-solids hauling cannot be easily or economically contracted during a period of time the truck may be out of service for repairs. We also require a power a takeoff (PTO) feature on this unit to operate our various haul trailers hydraulic systems. This also limits our rental/contracting opportunities and cost.
- Mechanical/Maintenance Factors. The major mechanical problem with this unit is a chronic low oil pressure issue with the engine that will require a major overhaul or engine replacement in the near future to correct. This will require a large monetary expenditure and include an extended out of service condition. This unit is also exhibiting transmission problems associated with shifting. This includes being very hard to pull into gear and into reverse. This will eventually require another large monetary expenditure to correct and include an extended out of service condition, as well as, operator and public safety concerns.

CITY OF HOBBS REQUISITION/QUOTE FORM

(Purchases \$500.00-\$5,000.00 SPD & GSA Contract)

TO: CPO

VENDOR NAME:
ADDRESS:

1) BRUCKNER TRUCK SALES.
8101 DAYTONA RD NW
ALBU, NM 87121
505-839-5990

2)

3)

FROM: **BILL GRIFFIN**

DATE: **11/6/2018**

PHONE/FAX NO:

QTY	DESCRIPTION ITEM(S) SERVICE TO BE PURCHASED	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
1	MACK PINNACLE (AF) CAB & CHASSIS TRUCK w/ 5 th WHEEL AND OPTIONS G, U, V, AP, BJ, CH, CR AND ALL OTHER ITEMS INCLUDED IN GSA CONTRACT # 61-805-16-14 415 A-3 VENDOR # AF MACK ITEM # 4.	\$149,055.58	\$149,055.58				
	TOTAL AMOUNT		\$149,055.58				
	DELIVERY DATE		@ 3 WKS ON REC. OF P.O.				
	ESTIMATED SHIPPING CHARGES		0				

CHECK ONE: STATE CONTRACT / GSA CONTRACT CONTRACT NO. 61-805-16-1415 EXPIRATION DATE 09/25/2019
 SPD or GSA contracts should be attached or on file in CPO. GSA contracts must have a letter from the contractor indicating a willingness to extend pricing, and all terms to the City of Hobbs.

AWARD TO: BRUCKNER TRUCK SALES POINT OF CONTACT: RYAN LINSON (If new vendor make sure address is on this form)

If lowest price is not recommended, please state why (subject to approval by CPO) STATE CONTRACT PRICE RECOMMENDED

Account No. 63-4375-43003 Prepared By: Bill Griffin Department Approval: Tim Wootley
 WHITE-CPO PINK-Department T.S.



Bruckner Truck Sales, Inc.
Retail Purchase Order

Date: November 5, 2018

CUSTOMER INFORMATION
Name: City of Hobbs

Address: 200 E. Broadway

CSZ: Hobbs, NM 88240

Phone: 575-397-9315 Cell: 575-263-3412

Fax: Contact: Bill Griffin - WWRF Superin

Email: bgriffin@hobbsnm.org

EQUIPMENT INFORMATION
Stock #: 46023

Year: 2019

Make: Mack

Model: PI64T

VIN: 1M1PN4GY2KM002296

Salesman: Ryan Linson

Table with EQUIPMENT SPECIFICATIONS header and columns for Engine Make, Horsepower, Engine Brake, Transmission, Front Axle, Rear Axle, Rear Suspension, Ratio, Wheelbase, Frame, Interior Trim, Wheels Front, Wheels Rear, Tire Size, Tire Front, Tire Rear.

Table with Chassis includes the Following Local Extras: header and columns for PDI - Delivery Prep, 3yr/150k EP2 & CP2 HD (Contract), Filter Kit-Spare Wheels-Service & Parts CD, Base Tractor Spec Rigging - State Contract, NM Statewide Contract 61-805-16-14415 A-3, Vendor AF (MACK) Item 4, Options: G, U, V, AP, BJ, CH, CR, Trade-In Information, OTHER CHARGES, Tax, Title, and License Fees (Estimated), Purchase Coverage, Insurance, Doc Fees, Cash Down Payment, TOTAL.

Dealer Signature: _____

Customer Signature: _____

Date: _____

Date: _____

A documentary fee is not an official fee. A documentary fee is not required by law, but may be charged to buyers for handling documents and performing services relating to the closing of a sale. A documentary fee may not exceed \$50 for a motor vehicle contract or a reasonable amount agreed to by the parties for a heavy commercial vehicle contract. This notice is required by law.

NOT AN INVOICE



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: December 3, 2018

SUBJECT: Award Bid No. 1572-19 Marland Lift Station/Forcemain Replacement Project
DEPT. OF ORIGIN: Utilities Department
DATE SUBMITTED: November 19, 2018
SUBMITTED BY: Tim Woomer, Utilities Director

Summary:

Bids were opened on Thursday, October 25, 2018 for the Marland Sanitary Lift Station/Forcemain Replacement Project, Bid No. 1572-19. The base bid includes furnishing all materials, labor, machinery, equipment and tools necessary to construct and install gravity sanitary sewer lines, force-main, and a lift station, complete and as specified in project plans and specifications. One Additive Alternative was included in the bid that included demolition, removal, and disposal of existing Sewer Lift Station.

Bid No. 1572-19 was advertised on September 30, 2018. Two (2) qualified bids were submitted.

<u>Company</u>	<u>Base Bid</u>	<u>Additive Alternative</u>
Smithco Construction, Inc.	\$605,675.00	\$27,500.00
Entrench Inc.	\$147,750.00	\$9,500.00

Entrench Inc. is the apparent low bidder, they are properly licensed to complete the scope of work and their registration with the NMDWS is current.

Fiscal Impact: \$157,250.00 (including NMGR)

Reviewed By: 
Finance Department

Funds for the Jefferson Sanitary Lift Station/Forcemain Replacement Project are budgeted in FY18 in account 62-4062-44901-00096. A transfer of \$80,000.00 from 624062-44901-248, Manhole Rehab Project, to 624062-44901-96, Refurbish Lift Stations is required in order to fully fund this project.

Project Cost: \$157,250.00 (including additive alternative)

Estimated Construction Cost: **\$157,250.00 (Including NMGR)**

Attachments:

- Bid Tabulation
- Project Agreement

Legal Review:

Approved As To Form:


City Attorney

Recommendation:

Staff recommends the award of Bid No. 1566-18, the base bid, plus the additive alternative, for the construction of the Marland Lift Station/Forcemain Replacement Project to Entrench Inc. in the amount of \$157,250.00, including NMGRT.

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: _____
File No. _____

Denied

SECTION 3 - BID FORM (Unit Price Contract)

Bid No. 1572-19

PLACE: City of Hobbs Purchasing Agent
200 E. Broadway
Hobbs, New Mexico 88240

DATE: 10/25/18

Bid of Entrench, Inc. (hereinafter called "BIDDER"), organized and existing under the laws of the State of New Mexico to the City of Hobbs (hereinafter called "OWNER").

MARLAND LIFT STATION/FORCEMAIN REPLACEMENT PROJECT

Gentlemen:

The Bidder, in compliance with your invitation for bids for construction of the **MARLAND LIFT STATION/FORCEMAIN REPLACEMENT PROJECT**, having examined the site of the proposed work, and being familiar with all of the conditions surrounding the construction of the proposed project including the availability of labor, hereby proposes to furnish all materials, labor, and equipment, within the time set therein, at the prices stated below in accordance with the following:

1. Advertisement for bids dated September 30, 2018.
2. New Mexico Standard Specifications for Public Works Construction, 2006 Edition. New Mexico State Highway and Transportation Departments' Standard Specifications for Highway and Bridge Construction, 2014 Edition.
3. The contract documents, including General Conditions, Project Description, Special Conditions, Construction Procedures and Sequencing, and Technical and Supplemental Specifications as prepared by the The Ross Group.
4. Construction Plans and Specifications as prepared by The Ross Group.

All of which are incorporated herein and made a part hereof. The following prices are to cover all expenses incurred in performing the work required under the contract documents, of which this bid is a part.

Bidder hereby agrees to commence work under this contract on or before a date to be specified in a written Notice to proceed by the Owner and to fully complete the project within time frame specified in Section 7 – Contract. Bidder further agrees to pay as liquidated damages, as stated in Section 7 – Contract.

Bidder agrees to perform all of the work described in the Specifications and shown on the plans for the following unit prices. Each item must be bid. The cost of any work added or deducted from the following estimated quantities shall be computed at the unit prices bid.

BASE BID-MARLAND LIFT STATION/FORCEMAIN REPLACEMENT PROJECT

ITEM NO.	ITEM DESCRIPTION	UNIT	ESTIMATED QUANTITY	UNIT COST (\$/UNIT)	ITEM COST (\$)
1	FURNISH AND INSTALL PACKAGED LIFT STATION, INCLUDING CONCRETE, GRADED COMPACTED CALICHE PAD, ELECT. SERVICE RISER, ELEC. HOOK-UP, AND PLUMBING. ALL MANUFACTURERS INSTRUCTION SHALL BE FOLLOWED AND CONTRACTOR SHALL MAKE AVAILABLE SUFFECIENT WATER IN THE WET WELL TO TEST ALL STATION FUNCTIONS.	EA	1		
				\$ 82,500.00	\$ 82,500.00
2	INSTALL 4" HDPE FORCEMAIN (DR 13.5) OR PVC (DR 14)	LF	50	\$ 28.00	\$ 1,400.00
3	INSTALL 12" PVC GRAVITY SEWER (SDR 26)	LF	15	\$ 70.00	\$ 1,050.00
4	INSTALL 4' DIAMETER FIBERGLASS MANHOLE WITH CONCRETE ADJUSTMENT COLLAR AND 30" LID	EA	1	\$ 14,800.00	\$ 14,800.00
5	INSTALL COMBINATION AIR VALVE INCLUDING MANHOLE, CONCRETE ADJUSTMENT COLLAR AND VENTED LID (NOT SHOWN ON PLAN VIEW SEE PROFILE).	LF	1	\$ 5,900.00	\$ 5,900.00
6	CONNECT NEW 4" FORCEMAIN TO EXISTING 10" FORCEMAIN	EA	1	\$ 2,800.00	\$ 2,800.00
7	CAP END OF EXISTING 12" SEWER TO BE ABANDONED IN PLACE WITH CONCRETE, OR REMOVE	EA	1	\$ 1,800.00	\$ 1,800.00
8	TRAFFIC CONTROL MANAGEMENT AND CONSTRUCTION TRAFFIC CONTROL DEVICES	LS	1	\$ 14,500.00	\$ 14,500.00
9	BYPASS PUMPING	LF	1	\$ 23,000.00	\$ 23,000.00

TOTAL BAS BID

\$ 147,750.00

TOTAL BASE BID, IN WRITING

One Hundred Fourty Seven Thousand

Seven Hundred Fifty Dollars And Zero Cents

BASE BID-MARLAND LIFT STATION/FORCEMAIN REPLACEMENT PROJECT

1A	REMOVE AND DISPOSE OF EXISTING LIFT STATION ABOVE GROUND, PULVERIZE BOTTOM OF WET WELL, BACKFILL AND COMPACT WET WELL. COORDINATE WITH CITY UTILITY DEPT REGARDING ANY MATERIALS TO BE SALVAGED. ANY SALVAGE SHALL BE DELIVERED BY THE CONTRACTOR TO THE CITY'S YARD.	LS	1		\$ 9,500.00	\$ 9,500.00
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TOTAL ADDITIVE ALTERNATE \$ 9,500.00

TOTAL ADDITIVE ALTERNATE, Nine Thousand Five Hundred
 IN WRITING Dollars and Zero Cents

New Mexico Gross Receipts Tax will be added to total bid price at the time of billing.
Do not add New Mexico Gross Receipts Tax to the total bid price shown above.

Bid Guarantee shall be 5% of the Total Bid Price.

Receipt of Addenda to be acknowledged

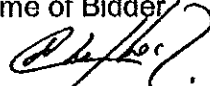
- Addendum No. _____ Date _____.
- Addendum No. _____ Date _____.
- Addendum No. _____ Date _____.
- Addendum No. _____ Date _____.
- Addendum No. _____ Date _____.

Bids will be opened on October 25, 2018 at 2:00 P.M., Hobbs City Hall, New Mexico.

The Bid is hereby respectfully submitted by:

Entrench, Inc.

Name of Bidder



10/25/18

By (Signature)

Date

(SEAL) if Bid is by Corp.

Alberto Caballero President

Printed Name & Title

New Mexico Contractor's
License Number

367244

3311 N. Grimes

Address

Hobbs, NM

88240

City & State

Zip

New Mexico Contractor's
Resident Bidder's Preference
Number

2016664624

575-492-1914

Telephone Number

New Mexico Contractor's
Resident Veterans Preference
Number

n/a

Workforce Solutions Registration
Number

0204392011923

SECTION 3 - BID FORM (Unit Price Contract)

Bid No. 1572-19

PLACE: City of Hobbs Purchasing Agent
200 E. Broadway
Hobbs, New Mexico 88240

DATE: 10-25-18

Bid of Smithco Construction, Inc (hereinafter called "BIDDER"), organized and existing under the laws of the State of NM to the City of Hobbs (hereinafter called "OWNER").

MARLAND LIFT STATION/FORCEMAIN REPLACEMENT PROJECT

Gentlemen:

The Bidder, in compliance with your invitation for bids for construction of the **MARLAND LIFT STATION/FORCEMAIN REPLACEMENT PROJECT**, having examined the site of the proposed work, and being familiar with all of the conditions surrounding the construction of the proposed project including the availability of labor, hereby proposes to furnish all materials, labor, and equipment, within the time set therein, at the prices stated below in accordance with the following:

1. Advertisement for bids dated September 30, 2018.
2. New Mexico Standard Specifications for Public Works Construction, 2006 Edition. New Mexico State Highway and Transportation Departments' Standard Specifications for Highway and Bridge Construction, 2014 Edition.
3. The contract documents, including General Conditions, Project Description, Special Conditions, Construction Procedures and Sequencing, and Technical and Supplemental Specifications as prepared by the The Ross Group.
4. Construction Plans and Specifications as prepared by The Ross Group.

All of which are incorporated herein and made a part hereof. The following prices are to cover all expenses incurred in performing the work required under the contract documents, of which this bid is a part.

Bidder hereby agrees to commence work under this contract on or before a date to be specified in a written Notice to proceed by the Owner and to fully complete the project within time frame specified in Section 7 – Contract. Bidder further agrees to pay as liquidated damages, as stated in Section 7 – Contract.

Bidder agrees to perform all of the work described in the Specifications and shown on the plans for the following unit prices. Each item must be bid. The cost of any work added or deducted from the following estimated quantities shall be computed at the unit prices bid.

BASE BID - MARLAND LIFT STATION/FORCEMAIN REPLACENT PROJECT

ITEM NO.	ITEM DESCRIPTION	UNIT	ESTIMATED QUANTITY	UNIT COST (\$/UNIT)	ITEM COST (\$)
1	FURNISH AND INSTALL PACKAGED LIFT STATION, INCLUDING CONCRETE, GRADED COMPACTED CALICHE PAD, ELECT. SERVICE RISER, ELEC. HOOK-UP, AND PLUMBING. ALL MANUFACTURERS INSTRUCTION SHALL BE FOLLOWED AND CONTRACTOR SHALL MAKE AVAILABLE SUFFECIENT WATER IN THE WET WELL TO TEST ALL STATION FUNCTIONS.	EA	1	525,000	525,000
2	INSTALL 4" HDPE FORCEMAIN (DR 13.5) OR PVC (DR 14)	LF	50	115	5,750
3	INSTALL 12" PVC GRAVITY SEWER (SDR 26)	LF	15	695	10,425
4	INSTALL 4' DIAMETER FIBERGLASS MANHOLE WITH CONCRETE ADJUSTMENT COLLAR AND 30" LID	EA	1	15,000	15,000
5	INSTALL COMBINATION AIR VALVE INCLUDING MANHOLE, CONCRETE ADJUSTMENT COLLAR AND VENTED LID (NOT SHOWN ON PLAN VIEW SEE PROFILE).	EA	1	10,000	10,000
6	CONNECT NEW 4" FORCEMAIN TO EXISTING 10" FORCEMAIN	EA	1	5,000	5,000
7	CAP END OF EXISTING 12" SEWER TO BE ABANDONED IN PLACE WITH CONCRETE, OR REMOVE	EA	1	4,500	4,500
8	TRAFFIC CONTROL MANAGEMENT AND CONSTRUCTION TRAFFIC CONTROL DEVICES	LS	1	15,000	15,000
9	Bypass Pumping	LF	1	15,000	15,000

TOTAL BASE BID \$ 605,675

TOTAL BASE BID, IN WRITING SIX HUNDRED FIVE THOUSAND,

SIX HUNDRED SEVENTY FIVE

ADDITIVE - ALTERNATE -- MARLAND LIFT STATION/FORCEMAIN REPLACENT PROJECT

1A	REMOVE AND DISPOSE OF EXISTING LIFT STATION ABOVE GROUND, PULVERIZE BOTTOM OF WET WELL, BACKFILL AND COMPACT WET WELL. COORDINATE WITH CITY UTILITY DEPT REGARDING ANY MATERIALS TO BE SALVAGED. ANY SALVAGE SHALL BE DELIVERED BY THE CONTRACTOR TO THE CITY'S YARD.	LS	1	27,500	27,500
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TOTAL ADDITIVE ALTERNATE \$ 27,500

TOTAL ADDITIVE ALTERNATE, TWENTY SEVEN THOUSAND,
 IN WRITING FIVE HUNDRED ⁰⁰/100

New Mexico Gross Receipts Tax will be added to total bid price at the time of billing. Do not add New Mexico Gross Receipts Tax to the total bid price shown above.

Bid Guarantee shall be 5% of the Total Bid Price.

Receipt of Addenda to be acknowledged

Addendum No. _____ Date _____
 Addendum No. _____ Date _____
 Addendum No. _____ Date _____
 Addendum No. _____ Date _____
 Addendum No. _____ Date _____

Bids will be opened on October 25, 2018 at 2:00 P.M., Hobbs City Hall, New Mexico.

The Bid is hereby respectfully submitted by:

Smithco Construction, Inc.
Name of Bidder

[Signature] 10-25-18
By (Signature) Date

(SEAL) if Bid is by Corp.

Kenneth P. Smith, Jr. - President
Printed Name & Title

New Mexico Contractor's
License Number

56580

6 King Canyon Loop
Address

Caballo, NM 87931
City & State Zip

New Mexico Contractor's
Resident Bidder's Preference
Number

L1726024496

575-894-6161
Telephone Number

New Mexico Contractor's
Resident Veterans Preference
Number

N/A

Workforce Solutions Registration
Number

002334720111003



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: December 3, 2018

SUBJECT: CONSIDERATION TO APPROVE A DEVELOPMENT AGREEMENT WITH ABS HOMES CONCERNING THE DEVELOPMENT OF MARKET RATE SINGLE-FAMILY HOUSING.

DEPT. OF ORIGIN: Planning Division
DATE SUBMITTED: November 26, 2018
SUBMITTED BY: Kevin Robinson - Planning Department

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

Fiscal Impact:

Reviewed By: [Signature]
Finance Department

FY19 Budget Available \$267,720.00
Single Family Housing #010100-44901-170

Attachments: Developers Request and Development Agreement.

Legal Review:

Approved As To Form: [Signature]
City Attorney

Recommendation:

Commission considers approval / denial of the attached Development Agreement.

Approved For Submittal By:

[Signature]
Department Director

[Signature]
City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

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

CITY OF HOBBS

RESOLUTION NO. 6741

A RESOLUTION TO APPROVE A DEVELOPMENT AGREEMENT WITH ABS HOMES CONCERNING THE DEVELOPMENT OF MARKET RATE SINGLE-FAMILY.

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

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

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

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

PASSED, ADOPTED AND APPROVED this 3rd day of December, 2018.

Sam D. Cobb, Mayor

ATTEST:

Jan Fletcher, City Clerk

MARKET RATE SINGLE FAMILY DEVELOPMENT AGREEMENT

THIS AGREEMENT is entered into on this 3rd day of Dec. 2018 by and between the City Of Hobbs, New Mexico, a municipal corporation (hereinafter "City"); and ABS Homes, 1515 W. Calle Sur Ste 116, Hobbs, NM 88240, (hereinafter "Developer") for the purpose of delivering Housing Developer Services to be provided to the City.

RECITALS:

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

** Developer has submitted a proposal to the City to deliver the required Market Rate Single Family Housing, to be produced within 180 days of ratification of this agreement, within the Municipal Boundaries.

** Any outstanding Development Agreements between the Developer and the City of Hobbs concerning the production of Market Rate Single Family Housing shall become null and void upon the ratification of this agreement herewith.

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

A. Work To Be Performed.

1. The Developer shall furnish to the City its Professional Housing Developer Services for certain work regarding the Market Rate Single Family Housing. All single family structures completed under this agreement shall be located within the municipal boundaries and shall have received a certificate of occupancy after ratification of this agreement.

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

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

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

- a. Incentive not to exceed per square footage basis:
 - i. \$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 linear 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 supporting the project, the City Engineer shall determine if the value of the infrastructure is adequate as an equal exchange of value for the amount of City subsidy contributed to the market rate single family housing unit. The City Engineer shall resolve any issues concerning value or extent of infrastructure and amount of square footage of constructed housing units. Specifically, the City Engineer will determine the value or unit costs of the publicly owned infrastructure according to any City of Hobbs Annual Pavement/Concrete/Utility Contracts or public infrastructure projects and estimates.

B. Payment For Services.

- 1) The City shall pay for said services at the rates agreed to and as specified above in the Infrastructure details, as shown herein. Payment will not be made by the City for any unit until a certificate of occupancy is issued, based on this Agreement.
- 2) The total compensation to be paid to the Developer during the term of this Agreement shall not exceed One Hundred Thousand Dollars (\$100,000.00), unless the Agreement is amended by the City Commission.
- 3) City subsidy shall be paid when each individual single family unit is complete and certificate of occupancy is issued, provided the certificate of occupancy for the unit is issued after ratification of this agreement. Payment will be made within fifteen (15) days following a written request from the Developer and upon City inspection of project completion.
- 4) Produced Units receiving an infrastructure incentive reimbursement shall not now or in the future be utilized in a pecuniary manner by renting, leasing, exchanging or bartering habitation privileges to the property for a period of no less than 30 days at a time. Such usage either now or in the future, for a period not to exceed 10 years from date of issuance of a C.O.,

shall require Developer to return any incentive funds received for any unit thus utilized, upon demand by the City. Developer shall record a "Declaration of Restrictive Covenants", attached hereto as Exhibit 2, to restrict such usage and to notify parties involved in future conveyances.

C. Construction Requirements.

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

D. Assignment of Agreement.

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

E. Insurance Requirements and Hold Harmless Provision.

1. Developer agrees to obtain and maintain appropriate insurance during the course of the development of market rate single family housing with the City of Hobbs, as follows, and shall indemnify and hold harmless City, its employees, agents, officers and officials from any and all claims, losses, causes of action, and/or liabilities resulting from the conduct, negligence, errors or omissions of Developer or any employee or agent of Developer while engaged in performing the services called for herein.

2. The Developer shall maintain insurance coverage for General Liability, Automobile Liability, Errors and Omissions Insurance, and Workers' Compensation, subject to review and approval of the City Attorney.

F. Governing Law and Provisions.

1. This Agreement shall be governed by the laws of the State of New Mexico. Jurisdiction and venue relating to any litigation or dispute arising out of this Agreement shall be in the District Court of Lea County, New Mexico, only. If any part of this contract shall be deemed in violation of the laws or Constitution of New Mexico, only such part thereof shall be thereby invalidated, and all other parts hereof shall remain valid and enforceable.

2. If any party is found by a court to have breached this Agreement, the breaching party agrees to pay all reasonable costs, attorney's fees and expenses that shall be made or incurred by another party in enforcing any covenant or provision of this Agreement, including the expenses of in house counsel.

G. Final Payment and Release of Claims.

1. Developer, upon final payment of all amounts due under this Agreement, releases the City and its officers and employees from all liabilities, claims and obligations whatsoever arising

from or under this Agreement.

2. City, upon Developer's final completion of all work items and covenants required of the Developer under this Agreement, shall release the Developer from all liabilities, claims and obligations whatsoever arising from or under this Agreement, on the day that is ten (10) years following the date of the City's issuance of a final certificate of occupancy on the Project.

H. Amendments.

This Agreement shall not be altered, changed, or amended except by written instrument approved and executed by both parties hereto.

I. Breach.

1. The following events constitute a breach of this Agreement by Developer:

a) Developer's failure to perform or comply with any of the terms, conditions or provisions of this Agreement.

2. The following events constitute a breach of this Agreement by City:

a) City's failure to perform or comply with any of the terms, conditions or provisions of this Agreement, including making timely and appropriate payments to the Developer.

J. Remedies Upon Breach.

1. Any party may sue to collect any and all damages that may accrue by virtue of the breach of this Agreement.

2. If any party is found by a court to have breached this Agreement, the breaching party agrees to pay all reasonable costs, attorney's fees and expenses that shall be made or incurred by another party in enforcing any covenant or provision of this Agreement.

K. Termination.

This Agreement shall be terminated upon the completion of all tenants herein specified or 180 days from date of ratification whichever comes first. A request for infrastructure reimbursement, for a qualified unit produced within the terms of this agreement, received after the Termination Date of this agreement will not be eligible for payment.

L. Notice.

All notices given pursuant to or in connection with this Agreement shall be made in writing and posted by regular mail, postage prepaid, to the City, ATTN: City Attorney, 200 E. Broadway, Hobbs, NM 88240; to Developer ATTN and ABS Homes, 1515 W. Calle Sur Ste 116, Hobbs, NM 88240 and to such other address as requested by either party. Notice shall be deemed to be received on the fifth day following posting.

M. Entire Agreement.

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

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

City of Hobbs

Developer

By: Sam D. Cobb, Mayor

By:

ATTEST:

APPROVED AS TO FORM:

JAN FLETCHER, City Clerk

Efren Cortez, City Attorney



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: December 3, 2018

SUBJECT: CONSIDERATION TO APPROVE A DEVELOPMENT AGREEMENT WITH GOLD CREEK HOMES CONCERNING THE DEVELOPMENT OF MARKET RATE SINGLE-FAMILY HOUSING.

DEPT. OF ORIGIN: Planning Division
DATE SUBMITTED: November 26, 2018
SUBMITTED BY: Kevin Robinson – Planning Department

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

Fiscal Impact:

Reviewed By: 

Finance Department

FY19 Budget Available \$267,720.00

Single Family Housing #010100-44901-170

Attachments: Developers Request and Development Agreement.

Legal Review:

Approved As To Form: 

City Attorney

Recommendation:

Commission considers approval / denial of the attached Development Agreement.

Approved For Submittal By:



Department Director



City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

Resolution No. _____

Continued To: _____

Ordinance No. _____

Referred To: _____

Approved _____

Denied _____

Other _____

File No. _____

CITY OF HOBBS

RESOLUTION NO. 6742

A RESOLUTION TO APPROVE A DEVELOPMENT AGREEMENT WITH GOLD CREEK HOMES CONCERNING THE DEVELOPMENT OF MARKET RATE SINGLE-FAMILY.

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

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

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

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

PASSED, ADOPTED AND APPROVED this 3rd day of December, 2018.

Sam D. Cobb, Mayor

ATTEST:

Jan Fletcher, City Clerk

AMENDED MARKET RATE SINGLE FAMILY DEVELOPMENT AGREEMENT

THIS AGREEMENT is entered into on this 3rd day of Dec. 2018 by and between the City Of Hobbs, New Mexico, a municipal corporation (hereinafter "City"); and Gold Creek Homes, 801 Briarwood Street, Weatherford, TX 76087, (hereinafter "Developer") for the purpose of delivering Housing Developer Services to be provided to the City.

RECITALS:

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

** Developer has submitted a proposal to the City to deliver the required Market Rate Single Family Housing, to be produced within 180 days of ratification of this agreement, within the Municipal Boundaries.

** Any outstanding Development Agreements between the Developer and the City of Hobbs concerning the production of Market Rate Single Family Housing shall become null and void upon the ratification of this agreement herewith.

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

A. Work To Be Performed.

1. The Developer shall furnish to the City its Professional Housing Developer Services for certain work regarding the Market Rate Single Family Housing. All single family structures completed under this agreement shall be located within the municipal boundaries and shall have received a certificate of occupancy after ratification of this agreement.

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

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

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

- a. Incentive not to exceed per square footage basis:
 - i. \$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 linear 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 supporting the project, the City Engineer shall determine if the value of the infrastructure is adequate as an equal exchange of value for the amount of City subsidy contributed to the market rate single family housing unit. The City Engineer shall resolve any issues concerning value or extent of infrastructure and amount of square footage of constructed housing units. Specifically, the City Engineer will determine the value or unit costs of the publicly owned infrastructure according to any City of Hobbs Annual Pavement/Concrete/Utility Contracts or public infrastructure projects and estimates.

B. Payment For Services.

- 1) The City shall pay for said services at the rates agreed to and as specified above in the Infrastructure details, as shown herein. Payment will not be made by the City for any unit until a certificate of occupancy is issued, based on this Agreement.
- 2) The total compensation to be paid to the Developer during the term of this Agreement shall not exceed One Hundred Thousand Dollars (\$100,000.00), unless the Agreement is amended by the City Commission.
- 3) City subsidy shall be paid when each individual single family unit is complete and certificate of occupancy is issued, provided the certificate of occupancy for the unit is issued after ratification of this agreement. Payment will be made within fifteen (15) days following a written request from the Developer and upon City inspection of project completion.
- 4) Produced Units receiving an infrastructure incentive reimbursement shall not now or in the future be utilized in a pecuniary manner by renting, leasing, exchanging or bartering habitation privileges to the property for a period of no less than 30 days at a time. Such usage

either now or in the future, for a period not to exceed 10 years from date of issuance of a C.O., shall require Developer to return any incentive funds received for any unit thus utilized, upon demand by the City. Developer shall record a "Declaration of Restrictive Covenants", attached hereto as Exhibit 2, to restrict such usage and to notify parties involved in future conveyances.

C. Construction Requirements.

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

D. Assignment of Agreement.

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

E. Insurance Requirements and Hold Harmless Provision.

1. Developer agrees to obtain and maintain appropriate insurance during the course of the development of market rate single family housing with the City of Hobbs, as follows, and shall indemnify and hold harmless City, its employees, agents, officers and officials from any and all claims, losses, causes of action, and/or liabilities resulting from the conduct, negligence, errors or omissions of Developer or any employee or agent of Developer while engaged in performing the services called for herein.

2. The Developer shall maintain insurance coverage for General Liability, Automobile Liability, Errors and Omissions Insurance, and Workers' Compensation, subject to review and approval of the City Attorney.

F. Governing Law and Provisions.

1. This Agreement shall be governed by the laws of the State of New Mexico. Jurisdiction and venue relating to any litigation or dispute arising out of this Agreement shall be in the District Court of Lea County, New Mexico, only. If any part of this contract shall be deemed in violation of the laws or Constitution of New Mexico, only such part thereof shall be thereby invalidated, and all other parts hereof shall remain valid and enforceable.

2. If any party is found by a court to have breached this Agreement, the breaching party agrees to pay all reasonable costs, attorney's fees and expenses that shall be made or incurred by another party in enforcing any covenant or provision of this Agreement, including the expenses of in house counsel.

G. Final Payment and Release of Claims.

1. Developer, upon final payment of all amounts due under this Agreement, releases the City and its officers and employees from all liabilities, claims and obligations whatsoever arising from or under this Agreement.

2. City, upon Developer's final completion of all work items and covenants required of the Developer under this Agreement, shall release the Developer from all liabilities, claims and obligations whatsoever arising from or under this Agreement, on the day that is ten (10) years following the date of the City's issuance of a final certificate of occupancy on the Project.

H. Amendments.

This Agreement shall not be altered, changed, or amended except by written instrument approved and executed by both parties hereto.

I. Breach.

1. The following events constitute a breach of this Agreement by Developer:

a) Developer's failure to perform or comply with any of the terms, conditions or provisions of this Agreement.

2. The following events constitute a breach of this Agreement by City:

a) City's failure to perform or comply with any of the terms, conditions or provisions of this Agreement, including making timely and appropriate payments to the Developer.

J. Remedies Upon Breach.

1. Any party may sue to collect any and all damages that may accrue by virtue of the breach of this Agreement.

2. If any party is found by a court to have breached this Agreement, the breaching party agrees to pay all reasonable costs, attorney's fees and expenses that shall be made or incurred by another party in enforcing any covenant or provision of this Agreement.

K. Termination.

This Agreement shall be terminated upon the completion of all tenants herein specified or 180 days from date of ratification whichever comes first. A request for infrastructure reimbursement, for a qualified unit produced within the terms of this agreement, received after the Termination Date of this agreement will not be eligible for payment.

L. Notice.

All notices given pursuant to or in connection with this Agreement shall be made in writing and posted by regular mail, postage prepaid, to the City, ATTN: City Attorney, 200 E. Broadway,

Hobbs, NM 88240; to Developer ATTN and Gold Creek Homes, 801 Briarwood Street, Weatherford, TX 76087 and to such other address as requested by either party. Notice shall be deemed to be received on the fifth day following posting.

M. Entire Agreement.

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

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

City of Hobbs

Developer

By: Sam D. Cobb, Mayor

By:

ATTEST:

APPROVED AS TO FORM:

JAN FLETCHER, City Clerk

Efren Cortez, City Attorney



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: December 3, 2018

SUBJECT: A RESOLUTION TO APPROVE A UTILITY EXTENSION DEVELOPMENT AGREEMENT BETWEEN BONAFIDE VENTURES LLC., AND THE CITY OF HOBBS.

DEPT. OF ORIGIN: Planning Department
DATE SUBMITTED: November 26, 2018
SUBMITTED BY: Kevin Robinson - Planning Department

Summary: The City of Hobbs is proposing to enter into a Utility Extension Development Agreement with Bonafide Ventures LLC., to provide water and sewer service to a Tract to be created located south east of the intersection of E. Sanger and Landfill Road outside of the municipal boundaries. The property is located +/- 3,300' east of municipal infrastructure and is currently served by private water well and septic system. The Utility Extension Development Agreement requires that the Developer retain the services of an Engineer of Record, obtain a public easement to contain the infrastructures, install and pay for the installation of the infrastructures. Upon receipt of Certification by the Engineer of Record, the municipality shall reimburse the Developer 1/2 of the actual costs (excluding GRT), not to exceed \$188,880.00. Additionally, a Letter of Understanding will be presented to the Lea County Commission that would allow for County reimbursement of 1/2 of Municipal expenditures associated with this DA.

Fiscal Impact: Reviewed By: [Signature] Finance Department

Fund 44-4044-44901-00073 unencumbered balance of \$316,172.18

UEDA maximum Expense: \$188,880.00
Less County Reimbursement: \$94,440.00
Total Municipal Expense: \$94,440.00

Attachments: Resolution, Utility Extension Development Agreement and site map.

Legal Review: Approved As To Form: [Signature] City Attorney

Recommendation: Staff recommends consideration to approve the Resolution contingent upon County's Approval

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. 6743

A RESOLUTION TO APPROVE A UTILITY EXTENSION DEVELOPMENT AGREEMENT BETWEEN BONAFIDE VENTURES LLC., AND THE CITY OF HOBBS.

WHEREAS, a Utility Extension Development Agreement has been negotiated with Bonafide Ventures LLC., to extend municipal infrastructures to serve property located south east of the intersection of E. Sanger and Landfill Road; and

WHEREAS, said municipal infrastructures would make safe potable water, liquid waste disposal and increased fire protection accessible for residents outside the Municipal Boundary's; and

WHEREAS, upon recognition of the shared benefits said municipal infrastructures will provide, Lea County has agreed to participate with the municipality, and 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 Utility Extension 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 3rd day of December, 2018.

Sam D. Cobb, Mayor

ATTEST:

Jan Fletcher, City Clerk

UTILITY EXTENSION DEVELOPMENT AGREEMENT

THIS AGREEMENT, made and entered into this 3rd day of Dec. 2018, between the City of Hobbs, New Mexico, a New Mexico Municipal Corporation, (hereafter called the "City"); and Bonafide Ventures LLC, PO Box 1830, Hobbs, New Mexico 88241 (hereafter called "Developer").

RECITALS:

WHEREAS, "Developer" has requested to extend Public Infrastructure, to serve property located at the Southeast corner of East Sanger and Landfill Road, which is outside the City limits of the City of Hobbs, said infrastructure being comprised of +/- 3,300' of a 10" water main and +/- 2,247' of 10" sewer main and no less than 5 fire hydrants; and

WHEREAS, "Developer" has requested Municipal participation in the public infrastructure extension as per the City of Hobbs Utility Service Policy wherein participation in a public infrastructure extension would be allowed providing such would benefit the City; and

WHEREAS, "City" has examined the proposed extension of Public Infrastructure, the larger area that could be served and the Life, Health and Safety benefits of the proposed extension, and has concluded that participation in the cost of the proposed extension would benefit the City.

NOW, THEREFORE, in consideration of the above premises, the parties hereby agree as follows:

1. The Developer shall secure a 60' surface and sub-surface public infrastructure easement for East Sanger beginning at the Municipal Boundary and extended east to the intersection of Landfill Road, and a 60' surface and sub-surface public infrastructure easement for Landfill Road beginning at the terminus of East Sanger and extending south 30' past the terminus of the infrastructure installed.
2. The Developer shall design or cause to be designed construction plans for the development of public infrastructure, comprised of +/- 3,300' of a 10" water main and +/- 2,247' of 10" sewer main and no less than 5 fire hydrants, located within the easement area described above for municipal review and approval.
3. Upon approval of the construction plans the Developer shall construct or cause to be constructed, public infrastructure. The Developer shall employ the services of a registered New Mexico Civil Engineer who shall certify the installation of the public infrastructure as to compliance with the plan set and City of Hobbs Standards prior to municipal acceptance.
4. After receipt of the Engineer of Records Certification of Compliance and recordation of the public infrastructure easements, the City shall reimburse the Developer an amount of 1/2 the actual cost (excluding GRT) based on Engineer of Record certified receipts, not to exceed \$188,880.00.
5. The City shall, compliant with the City of Hobbs Utility Service Policy, allow access to and service from the newly installed public infrastructure as proposed herein, to any property adjacent thereto entering into a City of Hobbs Utility Service Agreement (see attached).
6. Developer shall crate a Tract, divided from the Parent Parcel of the Developers Holdings, to contain the previously developed Mobile Home Park known as "Blue Quail Mobile Home Park". Fair Share Assessment, as per the City of Hobbs Utility Service Policy, for Developers Tract so created shall hereby be waived per this Agreement.
7. Responsibilities of the parties hereto are as follows:
 - A. The Developer shall:
 - 1) Acquire all public infrastructure easements.

- 2) Submit a Plan Set for review and approval.
- 3) Employ the services of a Civil Engineer to oversee the Construction of the public infrastructure and verify payments.

B. The City shall:

- 1) Review and Approve construction plan set.
- 2) Upon receipt of the Engineer of Record Certification of Compliance and recordation of the public infrastructure easements, the City shall reimburse the Developer an amount of 1/2 the actual cost (excluding GRT), not to exceed \$188,880.00.
- 3) Allow access to and service from the newly installed public infrastructure as proposed herein, to any property adjacent thereto entering into a current City of Hobbs Utility Service Agreement (see attached).

8. 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: Planning Department, 200 E. Broadway, Hobbs, NM 88240; to Developer – Bonafide Ventures LLC, PO Box 1830, Hobbs, New Mexico 88241, or to such other address as requested by either party. Notice shall be deemed to be received on the fifth day following posting.

9. This Agreement may be executed in one or more identical counterparts, and all counterparts so executed shall constitute one agreement which shall be binding on all of the parties.

10. Representations of City.

A. City is a duly organized and validly existing municipal corporation under the laws of the State of New Mexico with full municipal power to enter into this Agreement and to carry out the terms, conditions and provisions hereof.

B. City shall review and process the construction plan set in a forthright manner and with due diligence.

11. Representations of Developer.

To the best knowledge of Developer, there is no litigation, proceeding or governmental investigation, either pending or threatened in any court, arbitration board or administrative agency against or relating to Developer to prevent or impede the consummation of this Agreement by Developer.

12. BREACH

A. The following events constitute a breach of this Agreement by Developer:

Developer's failure to perform or comply with any of the terms, conditions or provisions of this Agreement.

B. The following events constitute a breach of this Agreement by City:

City's failure to perform or comply with any of the terms, conditions or provisions of this Agreement.

13. REMEDIES UPON BREACH.

A. Any party may sue to collect any and all damages that may accrue by virtue of the breach of this Agreement.

B. 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.

14. GOVERNING LAWS. 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.

15. TERMINATION. This Agreement shall be terminated upon the completion of all installation and construction defined herein.

16. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement among and between City and Developer and there are no other agreements or understandings, oral or otherwise, between the parties on the issues defined herein.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

CITY OF HOBBS

DEVELOPER – Bonafide Ventures LLC

Sam D. Cobb - Mayor

BY: _____

Its: _____

ATTEST:

APPROVED AS TO FORM:

Jan Fletcher, City Clerk

Efren Cortez, City Attorney



CITY OF HOBBS
UTILITY SERVICE AGREEMENT

THIS AGREEMENT is made this _____ day of _____, 2018 by and between the City of Hobbs, New Mexico, a municipal corporation under the laws of the State of New Mexico (hereinafter "City") _____, (hereinafter "Customer").

WHEREAS, Customer wishes City to extend and provide utility service to Customer; and

WHEREAS, City wishes to provide such utility service upon the agreement that Customer pay certain fees and charges and abide by certain conditions as hereinafter stated.

NOW, THEREFORE, the parties, in consideration of the mutual covenants contained herein, agree as follows:

- A. **Utility Service Provided.** City will provide utility service to, _____, Hobbs, New Mexico. The property is more particularly described and identified by the hereto attached property description, Attachment A.
- B. **Cost of Extension and Connection.** Customer shall pay City, water meter and connection fees of \$ _____, and utilities service deposit of \$ _____. Customer shall obtain and provide to the City a Lea County Boring Permit as well as any other applicable permits, easements, rights-of-way, etc., as required. TOTAL PAYMENT OF \$ _____ IS DUE UPON CONSENT OF THE CITY TO PROVIDE WATER AND/OR SEWER SERVICE.
- C. **Cost of Utility Service.** Customer shall pay City's applicable monthly utility service rates, currently in effect and as may be modified from time to time by the City Commission, for water and sewer utility service provided hereunder.
- D. **Agreement to Connect to Available Utility Service.** If this Agreement is not for both water and sewer utility service due to the unavailability of one utility, Customer understands and agrees to

connect, without delay, onto the presently unavailable utility service, at Customer's sole expense, at such time as it becomes available to the property in the future. Customer further agrees to pay any applicable fees, charges, assessments, line extension costs, line charges, etc. that may be associated with the future availability of the utility service.

- E. **Abandonment of Existing Water Wells.** In exchange for water utility service, Customer agrees to properly plug and abandon any existing water wells on the identified property in conformity with all Local, State and Federal laws and regulations and to transfer existing water rights on the identified property to City.
- F. **Abandonment of Septic Tanks or Septic Systems.** In exchange for sewer utility service, Customer agrees to properly abandon all septic tanks or septic systems pursuant to local, State and Federal laws and regulations.
- G. **Easements and Right-of-Ways.** Customer shall grant to City, acquire, or pay to City the actual cost incurred by City of acquiring, any easements and rights-of-way necessary for City to provide utility service hereunder.
- H. **Agreement to Annexation.** Customer acknowledges that City may desire to annex the property at a future date and Customer hereby agrees to annexation of this property by the City. If requested by City, Customer agrees to sign an Annexation Petition to formally request annexation at such time in the future as may be determined by the City. Customer agrees to waive Customer's right to any protests or appeals of an annexation ordinance affecting the property.
- I. **Compliance with Municipal Codes.** Customer acknowledges and agrees that the property so serviced, including any new structure placed on or constructed on the property receiving utility service, shall be compliant with any and all codes as so adopted by the City.
- J. **Utility Service Policy.** Customer understands that Customer must comply with City's Utility

Service Policy, currently in effect and as may be modified by City from time to time, as a condition of receiving continued utility service hereunder. City's Utility Service Policy contains, but is no limited to, the following provisions, which Customer acknowledges that Customer understands:

1. City does not guarantee continuous utility service and shall not be liable for damages should services be interrupted. City reserves the right to interrupt utility service for any emergencies, repairs, alterations or improvements.
 2. City does not guarantee the delivery of water at specific pressures or flow rates.
 3. City reserves the right to implement water rationing as provided for in Chapter 13.20 of the Hobbs Municipal Code.
 4. City shall have the right of access to Customer's property at reasonable hours for purposes of reading, changing, repairing or removing meters, or for repair, testing or inspection of the water distribution or sewer collection system, or for investigation of potential health hazards.
 5. Customer is responsible for Customer's own service lines, laterals and connection with City's line.
- K. **Disconnect.** City may disconnect Customer's utility service upon any payment owing to City being overdue for more than thirty (30) days, or upon any other breach of this agreement by Customer, including refusal to annex upon request, or upon noncompliance by Customer of any provision of City's Public Services Ordinance or Utility Service Policy.

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

By: _____
Owner

By: _____
Tim Woomer
Utility Director

By: _____
City Manager

PERMANENT GRANT OF PUBLIC UTILITY EASEMENT
PUBLIC UNDERGROUND UTILITY EASEMENT

THIS PERMANENT GRANT OF EASEMENT, entered into on this _____ day of _____, 2018 is granted by Lea County, ("Grantor") to the City of Hobbs, ("Grantee"), a New Mexico Municipal Corporation.

For valuable consideration, Grantor grants to Grantee a public utility easement on behalf of the City of Hobbs, an unrestricted permanent grant of easement to allow for access, construction and long term maintenance of underground public utilities, including City water and sewer, across the property held in public trust by Grantor commonly known as E. Sanger and Landfill Road, within Section(s) 25, 31, & 36, Township 18 South, Range 38 East, N.M.P.M., City of Hobbs, Lea County, New Mexico and being more commonly described as follows:

30' on either side of centerline of;
East Sanger between Harris Road & Landfill Road; and
South of the intersection of East Sanger and Landfill Road +/- 1,200'

This Permanent Grant of Public Utility Easement entitles Grantee, to do any and all things necessary for the construction and long term maintenance of said City utilities, including but not limited to installation and long term maintenance of a water main, effluent main and sewer main including grading, trenching, backfilling, excavating dirt, paving, storage and operation of equipment, drainage structures, and all other actions required for the construction and maintenance of said public utilities.

In exchange for the grant of easement, Grantee agrees to use the easement property in a workerlike manner. Grantee agrees to carry out final clean-up within the easement following construction or maintenance. Grantee, its successors and/or assigns shall have the permanent grant of utility easement for their use as long as it is being used by Grantee, its successors or assigns. However, if the easement property described above is not used by Grantee, its successors or assigns, then the easement shall terminate and the Property Owner shall be entitled to file a Certificate of Abandonment with the County Clerk.

IN WITNESS WHEREOF, the Grantor sets their hand and seal on the date first written above.

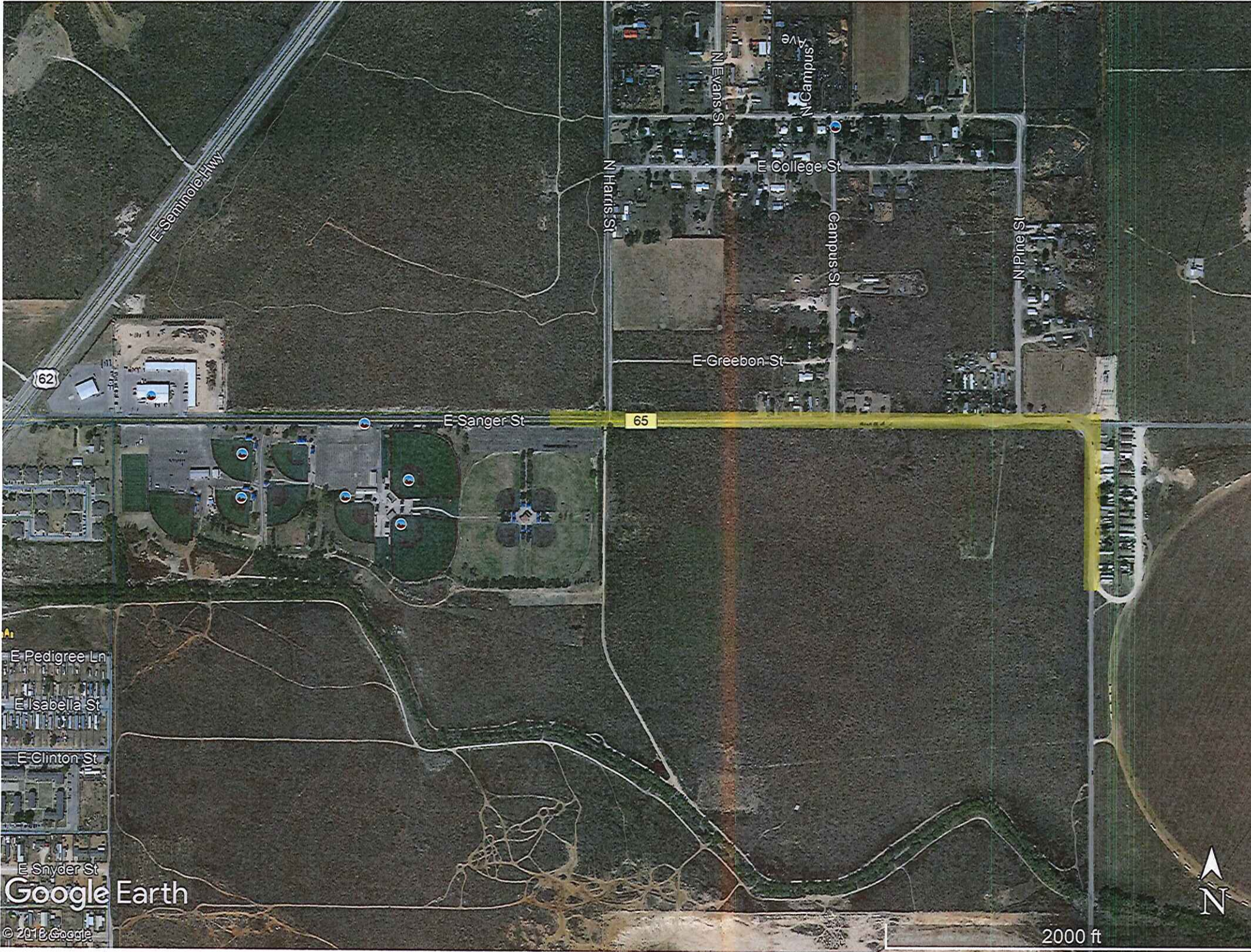
Grantor

STATE OF NEW MEXICO)
) (SS.
COUNTY OF LEA)

On this _____ day of _____ 2018, before me personally appeared _____ to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed. In Testimony Whereof, I have hereunto set my hand and affixed my official seal in the County and State aforesaid and year first written above.

Notary Public

My Commission Expires:



62

E Seminoole Hwy

N Evans St

N Campus Ave

E College St

N Harris St

Campus St

N Pine St

E Greebon St

E Sanger St

65

E Pedigree Ln

E Isabella St

E Clinton St

E Snyder St

Google Earth

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2000 ft





CITY OF HOBBS

COMMISSION STAFF SUMMARY FORM

MEETING DATE: December 3, 2018

SUBJECT: A RESOLUTION TO APPROVE A UTILITY EXTENSION DEVELOPMENT AGREEMENT BETWEEN J&H SERVICES, INC., AND THE CITY OF HOBBS.

DEPT. OF ORIGIN: Planning Department
DATE SUBMITTED: November 26, 2018
SUBMITTED BY: Kevin Robinson – Planning Department

Summary: The City of Hobbs is proposing to enter into a Utility Extension Development Agreement with J&H Services, Inc., to provide water service to a Tract located northwest of the intersection of W. Mahan and Carr Lane outside of the municipal boundaries. The property is located +/- 3,640' west of municipal infrastructure and is currently unserved with water. The Utility Extension Development Agreement requires that the Developer retain the services of an Engineer of Record, obtain a public easement to contain the infrastructures, install and pay for the installation of the infrastructures. Upon receipt of Certification by the Engineer of Record, the municipality shall reimburse the Developer 1/2 of the actual costs (excluding GRT), not to exceed \$91,000.00. Additionally, a Letter of Understanding will be presented to the Lea County Commission that would allow for County reimbursement of 1/2 of Municipal expenditures associated with this DA.

Fiscal Impact:

Reviewed By: 
Finance Department

Fund 44-4044-44901-00073 unencumbered balance of \$316,172.18

UEDA maximum Expense: \$91,000.00
Less County Reimbursement: \$45,500.00
Total Municipal Expense: \$45,500.00

Attachments: Resolution, Utility Extension Development Agreement and site map.

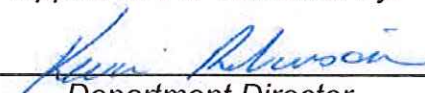
Legal Review:

Approved As To Form: 
City Attorney

Recommendation:

Staff recommends consideration to approve the Resolution contingent upon County's Approval :

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. 6744

A RESOLUTION TO APPROVE A UTILITY EXTENSION DEVELOPMENT AGREEMENT BETWEEN J&H SERVICES, INC., AND THE CITY OF HOBBS.

WHEREAS, a Utility Extension Development Agreement has been negotiated with J&H Services, Inc., to extend municipal infrastructures to serve property located west of the intersection of W. Mahan and West County Road; and

WHEREAS, said municipal infrastructures would make safe potable water and increased fire protection accessible for residents outside the Municipal Boundary's; and

WHEREAS, upon recognition of the shared benefits said municipal infrastructures will provide, Lea County has agreed to participate with the municipality, and 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 Utility Extension 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 3rd day of December, 2018.

Sam D. Cobb, Mayor

ATTEST:

Jan Fletcher, City Clerk

INFRASTRUCTURE DEVELOPMENT AGREEMENT

THIS AGREEMENT, made and entered into this 31st day of Dec. 2018, between the City of Hobbs, New Mexico, a New Mexico Municipal Corporation, (hereafter called the "City"); and J & H Services, Inc., 6616 Gulton Ct. NE, Suite 90, Albuquerque, New Mexico 87109 (hereafter called "Developer").

RECITALS:

WHEREAS, "Developer" has requested to extend Public Infrastructure, to serve property located northwest of the intersection of W. Mahan and Carr Lane, which is outside the City limits of the City of Hobbs, said infrastructure being comprised of +/- 3,640' of a 8" water main and no less than 4 fire hydrants; and

WHEREAS, "Developer" has requested Municipal participation in the public infrastructure extension as per the City of Hobbs Utility Service Policy wherein participation in a public infrastructure extension would be allowed providing such would benefit the City; and

WHEREAS, "City" has examined the proposed extension of Public Infrastructure, the larger area that could be served and the Life, Health and Safety benefits of the proposed extension, and has concluded that participation in the cost of the proposed extension would benefit the City.

NOW, THEREFORE, in consideration of the above premises, the parties hereby agree as follows:

1. The Developer shall secure a 60' surface and sub-surface public infrastructure easement for West Mahan Drive beginning at the Municipal Boundary and extended west to the intersection of North Robert Lane.
2. The Developer shall design or cause to be designed construction plans for the development of public infrastructure, comprised of +/- 3,640' of a 8" water main and no less than 4 fire hydrants, located within the easement area described above for municipal review and approval.
3. Upon approval of the construction plans the Developer shall construct or cause to be constructed, public infrastructure. The Developer shall employ the services of a registered New Mexico Civil Engineer who shall certify the installation of the public infrastructure as to compliance with the plan set and City of Hobbs Standards prior to municipal acceptance.
4. After receipt of the Engineer of Records Certification of Compliance and recordation of the public infrastructure easements, the City shall reimburse the Developer an amount of 1/2 the actual cost (excluding GRT), not to exceed \$91,000.00.
5. The City shall, compliant with the City of Hobbs Utility Service Policy, allow access to and service from the newly installed public infrastructure as proposed herein, to any property adjacent thereto entering into a City of Hobbs Utility Service Agreement (see attached).
6. Fair Share Assessment, as per the City of Hobbs Utility Service Policy, for Developers Tract shall hereby be waived per this Agreement.
7. Responsibilities of the parties hereto are as follows:
 - A. The Developer shall:
 - 1) Acquire all public infrastructure easements.
 - 2) Submit a Plan Set for review and approval.
 - 3) Employ the services of a Civil Engineer to oversee the Construction of the public infrastructure.

B. The City shall:

- 1) Review and Approve construction plan set.
- 2) Upon receipt of the Engineer of Record Certification of Compliance and recordation of the public infrastructure easements, the City shall reimburse the Developer an amount of 1/2 the actual cost (excluding GRT), not to exceed \$91,000.00.
- 3) Allow access to and service from the newly installed public infrastructure as proposed herein, to any property adjacent thereto entering into a current City of Hobbs Utility Service Agreement (see attached).

8. 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: Planning Department, 200 E. Broadway, Hobbs, NM 88240; to Developer – J & H Services, Inc., 6616 Gulton Ct. NE, Suite 90, Albuquerque, New Mexico 87109, or to such other address as requested by either party. Notice shall be deemed to be received on the fifth day following posting.

9. This Agreement may be executed in one or more identical counterparts, and all counterparts so executed shall constitute one agreement which shall be binding on all of the parties.

10. Representations of City.

A. City is a duly organized and validly existing municipal corporation under the laws of the State of New Mexico with full municipal power to enter into this Agreement and to carry out the terms, conditions and provisions hereof.

B. City shall review and process the construction plan set in a forthright manner and with due diligence.

11. Representations of Developer.

To the best knowledge of Developer, there is no litigation, proceeding or governmental investigation, either pending or threatened in any court, arbitration board or administrative agency against or relating to Developer to prevent or impede the consummation of this Agreement by Developer.

12. BREACH

A. The following events constitute a breach of this Agreement by Developer:

Developer's failure to perform or comply with any of the terms, conditions or provisions of this Agreement.

B. The following events constitute a breach of this Agreement by City:

City's failure to perform or comply with any of the terms, conditions or provisions of this Agreement.

13. REMEDIES UPON BREACH.

A. Any party may sue to collect any and all damages that may accrue by virtue of the breach of this

Agreement.

B. 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.

14. GOVERNING LAWS. 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.

15. TERMINATION. This Agreement shall be terminated upon the completion of all installation and construction defined herein.

16. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement among and between City and Developer and there are no other agreements or understandings, oral or otherwise, between the parties on the issues defined herein.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

CITY OF HOBBS

DEVELOPER – J & H Services, Inc.

Sam D. Cobb - Mayor

BY: _____

Its: _____

ATTEST:

APPROVED AS TO FORM:

Jan Fletcher, City Clerk

Efren Cortez, City Attorney



CITY OF HOBBS
UTILITY SERVICE AGREEMENT

THIS AGREEMENT is made this _____ day of _____, 2018 by and between the City of Hobbs, New Mexico, a municipal corporation under the laws of the State of New Mexico (hereinafter "City") _____, (hereinafter "Customer").

WHEREAS, Customer wishes City to extend and provide utility service to Customer; and

WHEREAS, City wishes to provide such utility service upon the agreement that Customer pay certain fees and charges and abide by certain conditions as hereinafter stated.

NOW, THEREFORE, the parties, in consideration of the mutual covenants contained herein, agree as follows:

A. **Utility Service Provided.** City will provide utility service to,

_____, Hobbs, New Mexico. The property is more particularly described and identified by the hereto attached property description, Attachment A.

B. **Cost of Extension and Connection.** Customer shall pay City, water meter and connection fees of \$ _____, and utilities service deposit of \$ _____. Customer shall obtain and provide to the City a Lea County Boring Permit as well as any other applicable permits, easements, rights-of-way, etc., as required. TOTAL PAYMENT OF \$ _____ IS DUE UPON CONSENT OF THE CITY TO PROVIDE WATER AND/OR SEWER SERVICE.

C. **Cost of Utility Service.** Customer shall pay City's applicable monthly utility service rates, currently in effect and as may be modified from time to time by the City Commission, for water and sewer utility service provided hereunder.

D. **Agreement to Connect to Available Utility Service.** If this Agreement is not for both water and sewer utility service due to the unavailability of one utility, Customer understands and agrees to

connect, without delay, onto the presently unavailable utility service, at Customer's sole expense, at such time as it becomes available to the property in the future. Customer further agrees to pay any applicable fees, charges, assessments, line extension costs, line charges, etc. that may be associated with the future availability of the utility service.

- E. **Abandonment of Existing Water Wells.** In exchange for water utility service, Customer agrees to properly plug and abandon any existing water wells on the identified property in conformity with all Local, State and Federal laws and regulations and to transfer existing water rights on the identified property to City.
- F. **Abandonment of Septic Tanks or Septic Systems.** In exchange for sewer utility service, Customer agrees to properly abandon all septic tanks or septic systems pursuant to local, State and Federal laws and regulations.
- G. **Easements and Right-of-Ways.** Customer shall grant to City, acquire, or pay to City the actual cost incurred by City of acquiring, any easements and rights-of-way necessary for City to provide utility service hereunder.
- H. **Agreement to Annexation.** Customer acknowledges that City may desire to annex the property at a future date and Customer hereby agrees to annexation of this property by the City. If requested by City, Customer agrees to sign an Annexation Petition to formally request annexation at such time in the future as may be determined by the City. Customer agrees to waive Customer's right to any protests or appeals of an annexation ordinance affecting the property.
- I. **Compliance with Municipal Codes.** Customer acknowledges and agrees that the property so serviced, including any new structure placed on or constructed on the property receiving utility service, shall be compliant with any and all codes as so adopted by the City.
- J. **Utility Service Policy.** Customer understands that Customer must comply with City's Utility

Service Policy, currently in effect and as may be modified by City from time to time, as a condition of receiving continued utility service hereunder. City's Utility Service Policy contains, but is no limited to, the following provisions, which Customer acknowledges that Customer understands:

1. City does not guarantee continuous utility service and shall not be liable for damages should services be interrupted. City reserves the right to interrupt utility service for any emergencies, repairs, alterations or improvements.
 2. City does not guarantee the delivery of water at specific pressures or flow rates.
 3. City reserves the right to implement water rationing as provided for in Chapter 13.20 of the Hobbs Municipal Code.
 4. City shall have the right of access to Customer's property at reasonable hours for purposes of reading, changing, repairing or removing meters, or for repair, testing or inspection of the water distribution or sewer collection system, or for investigation of potential health hazards.
 5. Customer is responsible for Customer's own service lines, laterals and connection with City's line.
- K. **Disconnect.** City may disconnect Customer's utility service upon any payment owing to City being overdue for more than thirty (30) days, or upon any other breach of this agreement by Customer, including refusal to annex upon request, or upon noncompliance by Customer of any provision of City's Public Services Ordinance or Utility Service Policy.

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

By: _____
Owner

By: _____
Tim Woomer
Utility Director

By: _____
City Manager

PERMANENT GRANT OF PUBLIC UTILITY EASEMENT
PUBLIC UNDERGROUND UTILITY EASEMENT

THIS PERMANENT GRANT OF EASEMENT, entered into on this _____ day of _____, 2018 is granted by Lea County, ("Grantor") to the City of Hobbs, ("Grantee"), a New Mexico Municipal Corporation.

For valuable consideration, Grantor grants to Grantee a public utility easement on behalf of the City of Hobbs, an unrestricted permanent grant of easement to allow for access, construction and long term maintenance of underground public utilities, including City water and sewer, across the property held in public trust by Grantor commonly known as West Mahan Road, within Section 30, Township 18 South, Range 38 East, N.M.P.M., City of Hobbs, Lea County, New Mexico and being more commonly described as follows:

30' on either side of centerline of;
West Mahan Road

This Permanent Grant of Public Utility Easement entitles Grantee, to do any and all things necessary for the construction and long term maintenance of said City utilities, including but not limited to installation and long term maintenance of a water main, effluent main and sewer main including grading, trenching, backfilling, excavating dirt, paving, storage and operation of equipment, drainage structures, and all other actions required for the construction and maintenance of said public utilities.

In exchange for the grant of easement, Grantee agrees to use the easement property in a workerlike manner. Grantee agrees to carry out final clean-up within the easement following construction or maintenance. Grantee, its successors and/or assigns shall have the permanent grant of utility easement for their use as long as it is being used by Grantee, its successors or assigns. However, if the easement property described above is not used by Grantee, its successors or assigns, then the easement shall terminate and the Property Owner shall be entitled to file a Certificate of Abandonment with the County Clerk.

IN WITNESS WHEREOF, the Grantor sets their hand and seal on the date first written above.

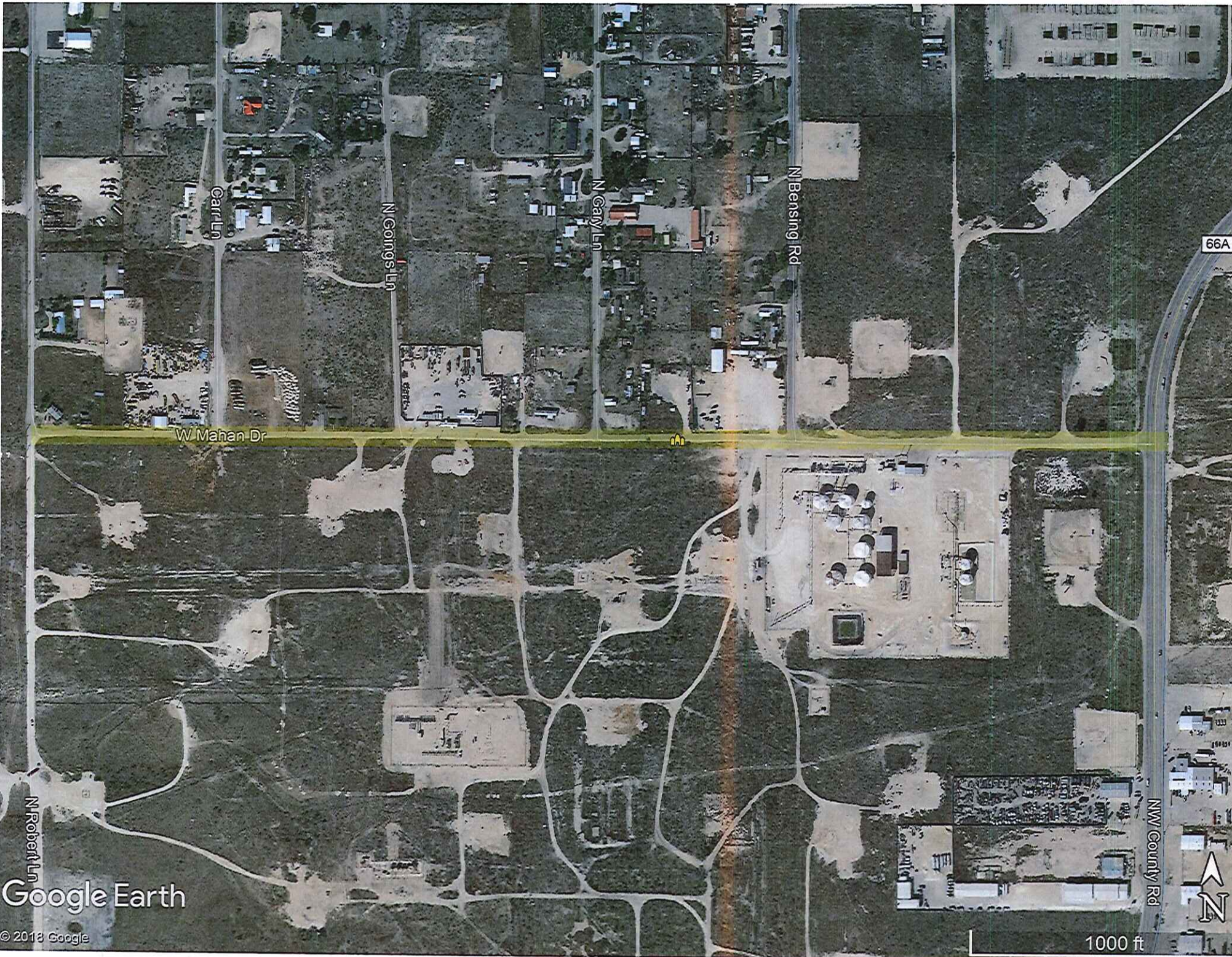
Grantor

STATE OF NEW MEXICO)
) (SS.
COUNTY OF LEA)

On this _____ day of _____ 2018, before me personally appeared _____ to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed. In Testimony Whereof, I have hereunto set my hand and affixed my official seal in the County and State aforesaid and year first written above.

Notary Public

My Commission Expires:



66A

NW County Rd

N Bensing Rd

N Gay Ln

N Goings Ln

Carr Ln

W Mahan Dr

N Robert Ln



1000 ft

Google Earth

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