

**REGULAR MEETING OF THE CITY COMMISSION  
MONDAY, AUGUST 25, 2014 @ 5:30 P.M.  
CITY COMMISSION CHAMBERS, 214 S. LOVE STREET**

**Call to Order:** The meeting was called to order by Mayor Gandy at 5:30 p.m.

**Present and answering roll call:** Commissioner Campos, Commissioner Butcher, Mayor Gandy, Commissioner Bengé and Commissioner Trujillo

**Also Present:** City Manager James Williams, Assistant City Manager Jared Cobb, City Finance Director Gary Chapman, City Clerk Carol Ann Hogue, Administrative Assistant Anna Juarez, City Attorney Patrick McMahon, and Interim Police Chief David Rodriguez

**Invocation:** Commissioner Bengé gave the invocation

**Pledge of Allegiance:** Commissioner Bengé led the pledge

**Approval of Agenda:** Mayor Gandy called for a motion to approve the agenda as submitted. Commissioner Bengé so moved to approve the agenda. Commissioner Trujillo seconded and a roll call was taken: Commissioner Trujillo – Yes, Commissioner Butcher – Yes, Commissioner Bengé – Yes, Mayor Gandy – Yes and Commissioner Campos - Yes.

**Approval of the Regular Minutes of August 11, 2014:** Mayor Gandy called for a motion to approve the regular minutes of August 11, 2014. Commissioner Campos so moved. Commissioner Bengé seconded and a roll call was taken: Commissioner Campos – Yes, Commissioner Trujillo – Yes, Mayor Gandy – Yes, Commissioner Bengé – Yes, and Commissioner Butcher – Yes.

**COMMISSIONER AND STAFF REPORTS:**

- Mayor Gandy reported street holes on 13th Street & Yucca. Update on lights, Administrative Assistant Juarez reported list to Lea County Electric.
- Commissioner Bengé complimented the Band Concert Saturday night and said it was excellent! Stated considering moving City's South welcoming sign further South, so it won't take away from Ferguson's newly remodeled building. Community should take time to thank local businesses for their contributions and donations businesses make to the community.
- City Manager Williams addressed Commissioners of change to add Accounts Payable to every commission agenda.

**ACTION ITEMS:**

**Consideration of Approval of Resolution 2014-38: Approval of 2016-2020 ICIP:** Mayor Gandy called for a motion to approve the resolution 2014-38: approval of 2016-2020 ICIP. Assistant City Manager Jared Cobb stated the approval of the Resolution 2014-38 and 2016-2020 ICIP will allow the City to apply for state capital outlay funds, grants, and loans. Changes to top 5 ICIP list is as follow: 1. Chaparral Park Irrigation

System \$600,000; 2. Chaparral Park Splash Pad \$200,000; 3. Central Plaza Project \$1,694,000; 4. Reconstruct N. 17<sup>th</sup> Street Bypass \$2,536,127; 5. Water Rights/Well construction \$4,300,000. Items added to ICIP: Streets Hot Patch Trailer, Chaparral Park Playground Equipment, Lea Theatre Rehabilitation, and Repair Chaparral Park Fountain and Stream. Commissioners reviewed ICIP list. Commissioner Trujillo so moved. Commissioner Bengé seconded and a roll call was taken: Commissioner Bengé – Yes, Commissioner Trujillo – Yes, Commissioner Campos – Yes, Commissioner Butcher – Yes, and Mayor Gandy – Yes. Motion was approved.

**Consider Approval of Resolution 2014-39: Central Plaza Phase I Change Order #2 and #3:** Mayor Gandy called for a motion to consider approval of resolution 2014-39: Central Plaza Phase I Change Order #2 and #3. City Manager Williams addressed the Commissioners to approve resolution to adjust the increase in cost for Central Plaza Project to include the removal of existing brick pavers and modification to the irrigation system. Update of status of project scheduled for completion September 6, some weather delays. On September 6 project will be suspended; roads will be completed but light fixture and street furniture will be delayed. Commissioner Butcher so moved. Commissioner Campos seconded and a roll call was taken: Commissioner Campos – Yes, Commissioner Butcher – Yes, Commissioner Trujillo – Yes, Commissioner Bengé – Yes, and Mayor Gandy – Yes. Motion was approved.

**Consider Approval of Ordinance No. 529: Lease Agreement between City and Extreme Services, LLC for 5.00 acres of City Property located on Highway 18:** Mayor Gandy called for a motion to approve the resolution 2014-40: Lease Agreement between City and Extreme Services, LLC for 5.00 acres of City Property located on Highway 18. City Manager Williams addressed Commissioners of property advertisement of lease of land located on Highway 18, with a minimum bid of \$750.00 per month. One bid of \$750.00 was received from Extreme Services, LLC to operate an oilfield service equipment and rental company. After signing of lease within 3 months of signing, Extreme Services, LLC needs to begin development of property and be complete within one year. Commissioner Campos so moved. Commissioner Butcher seconded and a roll call was taken: Commissioner Trujillo – Yes, Commissioner Campos – Yes, Commissioner Butcher – Yes, Mayor Gandy – Yes, and Commissioner Bengé - Yes. Motion was approved.

**Consider Approval of Resolution 2014-41: Adoption of the 2014/2015 LGRF Project:** Mayor Gandy called for a motion to approve the resolution 2014-41: Adoption of the 2014/2015 LGRF Project. City Manager Williams addressed the Commissioners to adopt or recommend funding for a different project due to the amount of funding received for the grant for reconstruction of North Commercial Street. The resolution would amend the grant agreement and assign the funds to the Central Avenue Project; or if Commission assigns to a different street project; staff will revise the resolution and bring back to the next Commission meeting. Commissioner Bengé so moved. Commissioner Trujillo seconded and a roll call was taken: Commissioner Butcher – No, Commissioner Campos – No, Commissioner Trujillo – No, Commissioner Bengé – No, and Mayor Gandy – No. Motion was not approved.

**Consider Approval to Advertise Ordinance No. 528 – Local Option Hold Harmless 3/8’s Tax:** Mayor Gandy called for a motion to approve to advertise ordinance No. 528 – Local Option Hold Harmless 3/8’s Tax. City Manager Williams stated staff prepared option D ordinance for 3/8 hold harmless gross receipts tax to offset from hold harmless distribution for Commissioners to approve for advertisement. Once advertised, on September 22 for approval by Commission, then submitted to DFA tax will take effect January 1, 2015. Earl Davis addressed Commissioner with concerns regarding Lovington being the highest tax in Lea County; encouraged Commissioner to vote against tax increase and to consider other options, such as Davis Beacon Act, for funds to replace infrastructure in the City. Commissioner Trujillo respected Mr. Davis point of view, but feels tax increase will help the City moving forward with development. Commissioner Butcher so moved. Commissioner Bengé seconded and a roll call was taken: Commissioner Trujillo – Yes, Commissioner Bengé – Yes, Commissioner Butcher – Yes, Commissioner Campos – Yes, and Mayor Gandy – Yes. Motion was approved

**Consider Approval of Ordinance No. 529 – 2014 Uniform Traffic Ordinance Amendments:** Mayor Gandy called for a motion to approve ordinance No. 529 – 2014 uniform traffic ordinance amendments. City Manager Williams stated ordinance will allow the City to adopt the 2014 changes to the “texting while driving” ban from the State of New Mexico; ordinance has been advertised as required. Commissioner Campos so moved. Commissioner Trujillo seconded and a roll call was taken: Commissioner Campos – Yes, Commissioner Butcher – Yes, Mayor Gandy – Yes, Commissioner Trujillo – Yes, and Commissioner Bengé – Yes. Motion was approved

**Consideration of Approval of Weed and Brush Abatement Contract:** Mayor Gandy called for a motion to approve weed and brush abatement contract. City Manager James Williams addressed Commissioners to approve contract to allow for the abatement of weeds and brush on properties the City has identified as a health and safety issue due to excessive weeds and brush. City will abate, property owner has 15 days to pay bill or City will place a lien on property. One bid was received from Lawn Patrol for the amount of \$90.00 per hour. Commissioner Campos so moved. Commissioner Trujillo seconded and a roll call was taken: Commissioner Campos – Yes, Commissioner Butcher – Yes, Mayor Gandy – Yes, Commissioner Trujillo – Yes, and Commissioner Bengé – Yes. Motion was approved.

**Consider Approval of Resolution for a zoning variance at 721 W. Taylor Street – Accessory building in rear yard to exceed maximum allowable size:** Mayor Gandy called for a motion to approve the resolution for a zoning variance at 721 W. Taylor Street – Accessory building in rear yard to exceed maximum allowable size. Clint Gomez presented documentation of approved building permit by State, clarified to Commissioners the entrances and exits to shop building; explained the proper and safety procedures that were taken with this project. Mr. Gomez stressed how much is vested in shop with cost and time. Commissioner’s explained their personal opinion of property should not interfere with proper procedure Mr. Gomez took to build shop.

Commissioner Trujillo so moved. Commissioner Campos seconded and a roll call was taken: Commissioner Butcher – Yes, Commissioner Campos – Yes, Commissioner Trujillo – Yes, Commissioner Bengue – Yes, and Mayor Gandy – Yes. Motion was approved

**PUBLIC COMMENT:**

**ADJOURNMENT:**

There being no further business the meeting adjourned at 6:10 p.m.

**APPROVED:** \_\_\_\_\_  
**SCOTTY GANDY, MAYOR**

**ATTEST:** \_\_\_\_\_  
**CAROL ANN HOGUE, CITY CLERK**

**CITY OF LOVINGTON**  
COMMISSION STAFF SUMMARY FORM

MEETING DATE: September 8, 2014



TYPE:  RESOLUTION  ORDINANCE  PROCLAMATION  INFORMATION  OTHER ACTION

**SUBJECT:** Pay and Classification Plan Study  
**DEPARTMENT:** Executive  
**SUBMITTED BY:** James R. Williams, City Manager  
**DATE SUBMITTED:** September 2, 2014

**STAFF SUMMARY:**

City staff have been provided a proposal from a company to prepare a pay and classification plan study. The outcome of the study is to provide an evaluation of our current pay plan, establish prevailing market rates, prepare a fiscal impact analysis, and provide a plan to achieve a competitive pay structure.

A total of eight municipalities, of similar size and demographics, will be included in this study.

**FISCAL IMPACT:**

REVIEWED BY: \_\_\_\_\_  
(Finance Director)

**ATTACHMENTS:**

**RECOMMENDATION:**

Discussion only. Staff request direction in regards to bringing a professional services agreement for approval at the September 22, 2014 meeting.

\_\_\_\_\_  
Department Head

*James R. Williams*  
\_\_\_\_\_  
City Manager

**CITY OF LOVINGTON**  
COMMISSION STAFF SUMMARY FORM

MEETING DATE: September 8, 2014



TYPE:  RESOLUTION  ORDINANCE  PROCLAMATION  INFORMATION  OTHER ACTION

**SUBJECT:** Steering Committee Appointment  
**DEPARTMENT:** Executive  
**SUBMITTED BY:** Jared Cobb, Assistant City Manager  
**DATE SUBMITTED:** September 4, 2014

**STAFF SUMMARY:**

Lea County Electric has requested that Jeanette Faris be appointed to the Comprehensive Plan Steering Committee. Gary Hurse was previously appointed but has requested that this change be made.

**FISCAL IMPACT:**

REVIEWED BY: \_\_\_\_\_

(Finance Director)

**ATTACHMENTS:**

**RECOMMENDATION:**

Motion to appoint Mrs. Faris as the Lea County Electric Representative.

\_\_\_\_\_  
Department Head

*James R. Williams*  
\_\_\_\_\_  
City Manager

CITY OF LOVINGTON  
COMMISSION STAFF SUMMARY FORM

MEETING DATE: September 8, 2014



TYPE:  RESOLUTION  ORDINANCE  PROCLAMATION  INFORMATION  OTHER ACTION

SUBJECT: Resolution 2014-43  
DEPARTMENT: Executive  
SUBMITTED BY: James R. Williams, City Manager  
DATE SUBMITTED: September 2, 2014

**STAFF SUMMARY:**

Gabriel and Estella Garcia have requested that the City sign a Release of Claim of Lien for several lots that they purchased from the City in 1998. The described lots were included in a paving lien in 1971. For lack of payment, a lien was filed on the property. However, in 1973 this property was quitclaimed to the City. The release of lien was never prepared or filed.

**FISCAL IMPACT:**

REVIEWED BY: \_\_\_\_\_

(Finance Director)

**ATTACHMENTS:**

Resolution 2014-43  
Release of Claim of Lien

**RECOMMENDATION:**

Motion to approve Resolution 2014-43.

\_\_\_\_\_  
Department Head

*James R. Williams*  
\_\_\_\_\_  
City Manager

**RESOLUTION NO. 2014-43**

**WHEREAS**, on or about November 2, 1971 the City of Lovington filed a Claim of Lien on the property legally described as Lots Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11) and Twelve (12), Block One (1), College Addition to the City of Lovington, Lea County, New Mexico, and;

**WHEREAS**, on or about January 11, 1973 this property was quitclaimed to the City of Lovington; and

**WHEREAS**, on or about September 14, 1998 this property was sold to Gabriel and Estella Garcia; and

**WHEREAS**, a release of Claim of Lien was never signed or filed.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Commission authorizes Mayor Scotty Gandy to sign a Release of Claim of Lien for the above described property and directs the City Clerk to file this Resolution and Release of Claim of Lien at the Lea County Courthouse.

DONE THIS 8<sup>th</sup> DAY OF SEPTEMBER, 2014.

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Scotty Gandy, Mayor

ATTEST:

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Carol Ann Hogue, City Clerk



CITY OF LOVINGTON  
COMMISSION STAFF SUMMARY FORM

MEETING DATE: September 8, 2014



TYPE:  RESOLUTION  ORDINANCE  PROCLAMATION  INFORMATION  OTHER ACTION

SUBJECT: Resolution 2014-44  
DEPARTMENT: Executive  
SUBMITTED BY: James R. Williams, City Manager  
DATE SUBMITTED: September 3, 2014

**STAFF SUMMARY:**

Resolution 2014-44 designates revenues received from the sale of scrap metal be recorded in the Solid Waste Fund and will be utilized for operation of the solid waste department and other expenditures deemed necessary and authorized by the City Commission.

**FISCAL IMPACT:**

REVIEWED BY: Gary Lee Chapman  
(Finance Director)

Approximately \$8,500 in revenue per year.

**ATTACHMENTS:**

Resolution 2014-44

**RECOMMENDATION:**

Motion to approve Resolution 2014-44

\_\_\_\_\_  
Department Head

James R. Williams  
City Manager

**RESOLUTION 2014-44**

**WHEREAS**, the City receives discarded metal at the Convenience Station as a part of normal operations which is subsequently sold as scrap at a recycling center.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION**, that:

1. The revenues generated by the sale of the scrap metal will be recorded in the Recycling Revenue Account of the Solid Waste Fund.
2. The revenues generated will be utilized for the continued operation of the solid waste department and other expenditures deemed necessary and authorized by the City Commission.

DONE THIS 8<sup>th</sup> DAY OF SEPTEMBER, 2014.

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Scotty Gandy, Mayor

ATTEST:

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Carol Ann Hogue, City Clerk

CITY OF LOVINGTON  
COMMISSION STAFF SUMMARY FORM

MEETING DATE: September 8, 2014



TYPE:  RESOLUTION  ORDINANCE  PROCLAMATION  INFORMATION  OTHER ACTION

SUBJECT: Resolution 2014-45  
DEPARTMENT: Executive  
SUBMITTED BY: James R. Williams, City Manager  
DATE SUBMITTED: September 2, 2014

**STAFF SUMMARY:**

The City has received a grant agreement with the NM Department of Finance and Administration for the Chaparral Park Irrigation System Project. This grant will partially fund the first phase of this project.

**FISCAL IMPACT:**

\$50,000 in reimbursement.

REVIEWED BY: Gary Lee Chapman  
(Finance Director)

**ATTACHMENTS:**

Resolution 2014-45  
Grant Participation Agreement

**RECOMMENDATION:**

Motion to approve Resolution 2014-45.

\_\_\_\_\_  
Department Head

James R. Williams  
City Manager

**RESOLUTION NO. 2014-45**

**WHEREAS**, in the Laws of 2014, Chapter 66, Section 22/126, the New Mexico State Legislature made an appropriation to the New Mexico Department of Finance and Administration; and

**WHEREAS**, this appropriation provides fifty thousand dollars and no cents in reimbursements to the City of Lovington for an irrigation system for Chaparral Park.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Commission authorizes the City Manager to enter into an agreement with the Department of Finance and Administration for the irrigation system project.

DONE THIS 8<sup>th</sup> DAY OF SEPTEMBER, 2014.

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Scotty Gandy, Mayor

ATTEST:

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Carol Ann Hogue, City Clerk

**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
FUND 892 CAPITAL APPROPRIATION PROJECT**

**THIS AGREEMENT** is made and entered into as of this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between the Department of Finance and Administration, State of New Mexico, acting through the Local Government Division, Bataan Memorial Building, Room 202, Santa Fe, New Mexico, 87501, hereinafter called the “Department” or abbreviation such as “DFA/LGD”, and City of Lovington, hereinafter called the “Grantee”. This Agreement shall be effective as of the date it is executed by the Department.

**RECITALS**

**WHEREAS**, in the Laws of 2014, Chapter 66, the Legislature made an appropriation to the Department, funds from which the Department is making available to the Grantee pursuant to this Agreement; and

**WHEREAS**, the Department is granting to Grantee, and the Grantee is accepting the grant of, funds from this appropriation, in accordance with the terms and conditions of this Agreement; and

**WHEREAS**, pursuant to Sections 9-6-5 and 9-6-5.1 NMSA 1978, the Secretary of the Department of Finance and Administration has the power and the authority to (i) maintain long-range estimates and plans for capital projects and develop standards for measuring the need for, and utility of, proposed projects; (ii) contract for, receive and utilize any grants or other financial assistance made available by the United States government or by any other source, public or private; (iii) provide planning and funding assistance to units of local government, council of government organizations, Indian tribal governments situated within New Mexico, and to nonprofit entities having for their purpose local, regional or community betterment; (iv) incident to any such programs, may enter into contracts and agreements with such units of local government, council of government organizations, Indian tribal governments, nonprofit entities and the federal government; and (v) delegate such authority to the Local Government Division as being necessary and appropriate to such delegation;

**AGREEMENT**

**NOW, THEREFORE**, in consideration of the mutual covenants and obligations contained herein, the parties hereby mutually agree as follows:

**ARTICLE I. PROJECT DESCRIPTION, AMOUNT OF GRANT AND REVERSION DATE**

A. The project that is the subject of this Agreement is described as follows:

14-L-1937

**\$ 50,000.00 APPROPRIATION REVERSION DATE: June 30, 2018**

**Laws of 2014, Chapter 66, Section 22/126, Fifty Thousand Dollars and No Cents  
\$ 50,000.00 for an irrigation system for Chaparral park in Lovington in Lea county.**

The Grantee's total reimbursements shall not exceed the appropriation amount Fifty Thousand Dollars and No Cents \$ 50,000.00 (the "Appropriation Amount") minus the allocation for Art in Public Places ("AIPP amount")<sup>1</sup>, if applicable, No Dollars and No Cents (\$0.00), which equals Fifty Thousand Dollars and No Cents (\$50,000.00) (the "Adjusted Appropriation Amount").

In the event of a conflict among the Appropriation Amount, the Reversion Date, as defined herein and/or the purpose of the Project, as set forth in this Agreement, and the corresponding appropriation language in the laws cited above in this Article I(A), the language of the laws cited herein shall control.

This project is referred to throughout the remainder of this Agreement as the "Project"; the information contained in Article I (A) is referred to collectively throughout the remainder of this Agreement as the "Project Description. The Grantee shall reference the Project's number in all correspondence with and submissions to the Department concerning the Project, including, but not limited to, Requests for Payment and reports.

## **ARTICLE II. LIMITATION ON DEPARTMENT'S OBLIGATION TO MAKE GRANT DISBURSEMENT TO GRANTEE**

A. Upon the Effective Date of this Agreement, for permissible purposes within the scope of the Project Description, the Grantee shall only be reimbursed monies for which the Department has issued and the Grantee has received a Notice of Department's Obligation to Reimburse<sup>2</sup> Grantee (hereinafter referred to as "Notice of Obligation"). This Grant Agreement and the disbursement of any and all amounts of the above referenced Adjusted Appropriation Amount are expressly conditioned upon the following:

- (i) Irrespective of any Notice of Obligation, the Grantee's expenditures shall be made on or before the Reversion Date and, if applicable, an Early Termination Date (i.e., the goods have been delivered and accepted or the title to the goods has been transferred to the Grantee and/or the services have been rendered for the Grantee); and
- (ii) The total amount received by the Grantee shall not exceed the lesser of: (a) the Adjusted Appropriation Amount identified in Article I(A) herein or (b) the total of all amounts stated in the Notice(s) of Obligation evidencing that the Department

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<sup>1</sup> The AIPP amount is "an amount of money equal to one percent or two hundred thousand dollars (\$200,000), whichever is less, of the amount of money appropriated for new construction or any major renovation exceeding one hundred thousand dollars (\$100,000)." Section 13-4A-4 NMSA 1978.

<sup>2</sup> "Reimburse" as used throughout this Agreement includes Department payments to the Grantee for invoices received, but not yet paid, by the Grantee from a third party contractor or vendor, if the invoices comply with the provisions of this Agreement and are a valid liability of the Grantee.

- has received and accepted the Grantee's Third Party Obligation(s), as defined in subparagraph iii of this Article II(A); and
- (iii) The Grantee's expenditures were made pursuant to the Grantee's legal procurement and execution of binding written obligations or purchase orders with third party contractors or vendors for the provision of services, including professional services, or the purchase of tangible personal property and real property for the Project, hereinafter referred to as "Third Party Obligations"; and
  - (iv) The Grantee's submittal of timely Requests for Payment in accordance with the procedures set forth in Article IX of this Agreement ;
  - (v) In the event that capital assets acquired with Project funds are to be sold, leased, or licensed to or operated by a private entity, the sale, lease, license, or operating agreement:
    - a. must be approved by the applicable oversight entity (if any) in accordance with law; or
    - b. if no oversight entity is required to approve of the transaction, the Department must approve of the transaction as complying with law.
- Prior to the sale, lease, license, or operating agreement being approved pursuant to subparagraph (a) or (b) above, the Department may, in its discretion and unless inconsistent with New Mexico State Board of Finance imposed conditions, reimburse the Grantee for necessary expenditures incurred to develop the Project sufficiently to make the sale, lease, license, or operating agreement commercially feasible, such as plan and design expenditures; and
- (vi) The Grantee's submittal of documentation of all Third Party Obligations and amendments thereto (including terminations) to the Department and the Department's issuance and the Grantee's receiving of a Notice of Obligation for a particular amount in accordance with the terms of this Agreement as follows:
    - a. The Grantee shall submit to the Department one copy of all Third Party Obligations and amendments thereto (including terminations) as soon as possible after execution by the Third Party but prior to execution by the Grantee.
    - b. Grantee acknowledges and agrees that if it chooses to enter into a Third Party Obligation prior to receiving a Notice of Obligation that covers the expenditure, it is solely responsible for such expenditures.
    - c. The Department may, in its absolute discretion, issue to Grantee a Notice of Obligation for the particular amount of that Third Party Obligation that only obligates the Department to reimburse Grantee's expenditures made on or before the Reversion Date or an Early Termination Date. The current Notice of Obligation form is attached to this Agreement as Exhibit 3.
    - d. The date the Department sends, by mail or email, the Notice of Obligation is the date that the Department's Notice of Obligation is effective. After that date, the Grantee is authorized to budget the particular amount set forth in the Notice of Obligation, execute the Third Party Obligation and request the Third Party begin work.

B. The Grantee shall implement, in all respects, the Project. The Grantee shall provide all necessary qualified personnel, material, and facilities to implement the Project. The Grantee shall finance its share (if any) of the costs of the Project, including all Project overruns.

C. Project funds shall not be used for purposes other than those specified in the Project Description.

D. Unless specifically allowed by law, Project funds cannot be used to reimburse Grantee for indirect Project costs.

**ARTICLE III. NOTICE PROVISIONS AND GRANTEE AND DEPARTMENT DESIGNATED REPRESENTATIVES**

Whenever written notices, including written decisions, are to be given or received, related to this Agreement, the following provisions shall apply.

The Grantee and the Department hereby designate the persons listed below as their official representative concerning all matters related to this Agreement:

Grantee: City of Lovington  
Name: James R. Williams  
Title: City Manager  
Address: 214 S. Love St., Lovington, NM 88260  
Email: jwilliams@lovington.org  
Telephone: (575) 396-2884  
FAX: (575) 396-6328

Department: DFA/Local Government Division  
Name: Ms. Maxx Hendren  
Title: Project Manager  
Address: Bataan Memorial Bldg, Rm 202, Santa Fe, New Mexico, 87501  
Email: MaxxP.Hendren@state.nm.us  
Telephone: 505-827-4797  
FAX: 505-827-4948

The Grantee and the Department agree that either party shall send all notices, including written decisions, related to this Agreement to the above named persons by facsimile, email, or regular mail. In the case of mailings, notices shall be deemed to have been given and received upon the date of the receiving party's actual receipt or five calendar days after mailing, whichever shall first occur. In the case of facsimile transmissions, the notice shall be deemed to have been given and received on the date reflected on the facsimile confirmation indicating a successful transmission of all pages included in the writing. In the case of email transmissions, the notice shall be deemed to have been given and received on the date reflected on the delivery receipt of email.

#### **ARTICLE IV. REVERSION DATE, TERM, EARLY TERMINATION**

A. As referenced in Article I(A), the applicable law establishes a date by which Project funds must be expended by Grantee, which is referred to throughout the remainder of this Agreement as the “Reversion Date.” Upon being duly executed by both parties, this Agreement shall be effective as of the date of execution by the Department. It shall terminate on June 30, 2018 the Reversion Date unless Terminated Before Reversion Date (“Early Termination”) pursuant to Article V herein.

B. The Project’s funds must be “expended” on or before the Reversion Date and, if applicable, Early Termination Date of this Agreement. For purposes of this Agreement, it is not sufficient for the Grantee to “encumber” the Project funds on its books on or before the Project's Reversion Date or Early Termination Date. Funds are “expended” and an “expenditure” has occurred as of the date that a particular quantity of goods are delivered to and received by the Grantee or title to the goods is transferred to the Grantee and/or as of the date particular services are rendered for the Grantee. Funds are *not* “expended” and an “expenditure” has *not* occurred as of the date they are “encumbered” by the Grantee pursuant to a contract or purchase order with a third party.

#### **ARTICLE V. EARLY TERMINATION**

##### **A. Early Termination Before Reversion Date Due to Completion of the Project or Complete Expenditure of the Adjusted Appropriation or Violation of this Agreement**

Early Termination includes:

- (i) Termination due to completion of the Project before the Reversion Date; or
- (ii) Termination due to complete expenditure of the Adjusted Appropriation Amount before the Reversion Date; or
- (iii) Termination for violation of the terms of this Agreement; or
- (iv) Termination for suspected mishandling of public funds, including but not limited to, fraud, waste, abuse, conflicts of interest.

Either the Department or the Grantee may early terminate this Agreement prior to the Reversion Date by providing the other party with a minimum of fifteen (15) days’ advance, written notice of early termination. Grantee hereby waives any rights to assert an impairment of contract claim against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department pursuant to Article V (A).

##### **B. Early Termination Before Reversion Date Due to Non-appropriation**

The terms of this Agreement are expressly made contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. Throughout this Agreement the term “non-appropriate” or “non-appropriation” includes the following actions by the New Mexico Legislature: deauthorization, reauthorization or revocation of a prior authorization. The Legislature may choose to non-appropriate the Appropriation referred to Article I and, if that occurs,

the Department shall early terminate this Agreement for non-appropriation by giving the Grantee written notice of such termination, as of the effective date of the law making the non-appropriation. The Department's decision as to whether sufficient appropriations or authorizations are available shall be accepted by the Grantee and shall be final. Grantee hereby waives any rights to assert an impairment of contract claim against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department pursuant to Article V (B).

**C. Limitation on Department's Obligation to Make Grant Disbursements to Grantee in the Event of Early Termination**

In the event of Early Termination of this Agreement by either party, the Department's sole obligation to reimburse the Grantee is expressly conditioned upon the limitations set forth Article II.

**ARTICLE VI. SUSPENSION OF NEW OR FURTHER OBLIGATIONS**

A. The Department may choose, in its absolute discretion, to direct the Grantee to suspend entering into new and further obligations.

- (i) The Grantee shall immediately suspend entering into new or further written obligations with third parties upon the date the Grantee receives written notice given by the Department; and
- (ii) The Department is, upon the date the Grantee receives written notice given by the Department, suspending issuance of any new or further Notice of Obligation under this Agreement; and
- (iii) The Department may direct the Grantee to implement a corrective action plan in accordance with Article VI(D) herein.

B. In the event of Suspension of this Agreement, the Department's sole obligation to reimburse the Grantee is expressly conditioned upon the limitations set forth in Article II herein.

C. A suspension of new or further obligations under this Agreement shall remain in effect unless or until the date the Grantee receives written notice given by the Department informing the Grantee that the Suspension has been lifted or that the Agreement has been Early Terminated in accordance with Article V herein. If the Suspension is lifted, the Department will consider further requests for Notice of Obligation.

**D. Corrective Action Plan in the Event of Suspension**

In the event that the Department chooses, in its absolute discretion to direct the Grantee to suspend entering into new or further written obligations with third parties pursuant to Article VI(A), the Department may, but is not obligated to, require the Grantee to develop and implement a written corrective action plan to remedy the grounds for the Suspension. Such corrective action plan must be approved by the Department and be signed by the Grantee. Failure to sign a corrective action plan or meet the terms and deadlines set forth in the signed corrective action plan, is hereby deemed a violation of the terms of this Agreement for purposes of Early Termination, Article V(A)(iii). The

corrective action plan is in addition to, and not in lieu of, any other equitable or legal remedy, including but not limited to Early Termination.

## **ARTICLE VII. AMENDMENT**

This Agreement shall not be altered, changed, or amended except by instrument in writing duly executed by both the parties hereto.

## **ARTICLE VIII. REPORTS**

### **A. Paper Periodic Reports**

In order that the Department may adequately monitor Project activity, the Grantee shall submit to the Department Paper Periodic Reports for the Project. Paper Periodic Reports shall be submitted on a form prescribed by the Department. The Paper Periodic and Paper Final Report form are attached hereto as Exhibit 1. The Department shall provide the Grantee with a minimum of thirty (30) days' advance written notice of any change to the Periodic Report format or content.

The Paper Periodic Report shall be due monthly on the last day of each month, beginning with the first full month following execution of this Agreement by the Department and ending upon the submission of a Paper Final Report for the Project. The Department may, in its discretion, change the reporting period from time to time by giving Grantee a minimum of thirty (30) days' advance, written notice of any change to the reporting period; provided, however, that in no event shall the reporting period be less than one month.

### **B. Paper Final Report**

The Grantee shall submit to the Department and the Department of Finance and Administration a Final Report for the Project. The Final Report shall be submitted on a form provided by the Department and contain such information as the Department may require. The Periodic and Final Report form is attached hereto as Exhibit 1. The Department shall provide Grantee with a minimum of thirty (30) days' advance, written notice of any change to the Final Report format or content. The Paper Final Report must be submitted within twenty (20) days after the Project's Reversion Date or within twenty (20) days of the date of Early Termination, which ever first occurs.

### **C. Paperless Reporting**

In addition to the paper reports described in subparagraphs A and B of this Article, the Grantee shall report periodic and final Project activity by entering such Project information as the Department and the Department of Finance and Administration may require directly into a database maintained by the Department of Finance and Administration. The Department shall give Grantee a minimum of thirty (30) days' advance written notice of any changes to the information the Grantee is required to report on a paperless basis. The Paperless Report shall be due monthly on the last day of each month, beginning with the first full month following execution of this Agreement by the Department and ending upon the submission of a Final Report for the Project. The

Paperless Final Report along with a Paper Final Report must be submitted within twenty (20) days after the Project's Reversion Date or within twenty (20) days of the date of Early Termination, which ever first occurs.

**D. Requests for Additional Information/Project Inspection**

During the term of this Agreement and during the period of time during which the Grantee must maintain records pursuant to Article VIII, the Department may (i) request such additional information regarding the Project as it deems necessary and (ii) conduct, at reasonable times and upon reasonable notice, onsite inspections of the Project. Grantee shall respond to such requests for additional information within a reasonable period of time, as established by the Department. Requests made pursuant to this subparagraph D are in addition to and not in lieu of the periodic and final reporting described in subparagraphs A through C of this Article VIII.

**ARTICLE IX. REQUEST FOR PAYMENT PROCEDURES AND DEADLINES**

A. The Grantee shall request payment by submitting a Request for Payment, in the form attached hereto as Exhibit 2. Payment requests are subject to the following procedures:

- (i) The Grantee must submit one original and one copy of each Request for Payment; and
- (ii) Each Request for Payment must contain proof of payment by the Grantee or liabilities incurred by the Grantee in the form of a notarized certification by Grantee's designated representative in Article III herein, that the expenditures are valid or are liabilities incurred by the Grantee in the form of actual unpaid invoices received by the Grantee of services rendered by a third party or items of tangible personal property received by the Grantee for the implementation of the Project; provided, however, that the Grantee may be reimbursed for unpaid liabilities only if the Department, in its discretion, agrees to do so and in accordance with any special conditions imposed by the Department.
- (iii) In cases where the Grantee is submitting a Request for Payment to the Department based upon invoices received, but not yet paid, by the Grantee from a third party contractor or vendor, if the invoices comply with the provisions of this Agreement and are a valid liability of the Grantee, the Grantee shall make payment to those contractors or vendors within five (5) business days from the date of receiving reimbursement from the Department or such shorter period of time as the Department may prescribe in writing.

**B. Deadlines**

Requests for Payments shall be submitted by Grantee to the Department on the earlier of:

- (i) Twenty (20) days from the end of the calendar quarter in which the expenditure was incurred or liability of the Grantee was incurred as evidenced by an unpaid invoice received by the Grantee from a third party

- contractor or vendor, if total unreimbursed expenditures or liabilities at calendar quarter end exceed \$25,000; or
- (ii) July 15 of each year for all unreimbursed expenditures incurred during the previous fiscal year; or
  - (iii) Twenty (20) days from date of Early Termination; or
  - (iv) Twenty (20) days from the Reversion Date.

C. The Grantee's failure to abide by the requirements set forth in Article II herein will result in the denial of its Request for Payment or will delay the processing of Requests for Payment. The Department has the right to reject a payment request for the Project unless and until it is satisfied that the expenditures in the Request for Payment are for permissible purposes within the meaning of the Project Description and that the expenditures and the Grantee are otherwise in compliance with this Agreement, including but not limited to, compliance with the reporting requirements and the requirements set forth in Article II herein to provide Third Party Obligations. The Department's ability to reject any Request for Payment is in addition to, and not in lieu of, any other legal or equitable remedy available to the Department due to Grantee's violation of this Agreement.

**ARTICLE X. PROJECT CONDITIONS AND RESTRICTIONS;  
REPRESENTATIONS AND WARRANTIES**

- A. The following general conditions and restrictions are applicable to the Project:
- (i) The Project's funds must be spent in accordance with all applicable state laws, regulations, policies, and guidelines, including, but not limited to, the Procurement Code (or local procurement ordinance, where applicable).
  - (ii) The Project must be implemented in accordance with the New Mexico Public Works Minimum Works Act, Section 13-4-10 through 13-4-17 NMSA 1978, if applicable. Every contract or project in excess of sixty thousand dollars (\$60,000) that the Grantee is a party to for construction, alteration, demolition or repair or any combination of these, including painting and decorating, of public buildings, public works or public roads and that requires or involves the employment of mechanics, laborers or both shall contain a provision stating the minimum wages and fringe benefits to be paid to various classes of laborers and mechanics, shall be based upon the wages and benefits that will be determined by the New Mexico Department of Workforce Solutions to be prevailing for the corresponding classes of laborers and mechanics employed on contract work of a similar nature in the locality. Further, every contract or project shall contain a stipulation that the contractor, subcontractor, employer or a person acting as a contractor shall pay all mechanics and laborers employed on the site of the project, unconditionally and not less often than once a week and without subsequent unlawful deduction or rebate on any account, the full amounts accrued at time of payment computed at wage rates and fringe benefit rates not less than those determined pursuant to

- Section 13-4-11 B. NMSA 1978 to be the prevailing wage rates and prevailing fringe benefit rates issued for the project.
- (iii) The Project may only benefit private entities in accordance with applicable law, including, but not limited to, Article IX, Section 14 of the Constitution of the State of New Mexico, the so-called “Anti-Donation Clause.”
  - (iv) The Grantee shall not at any time convert any property acquired or developed with the Project’s funds to uses other than those specified in the Project Description without the Department's express, advance, written approval.
  - (v) The Grantee shall comply with all federal and state laws, rules and regulations pertaining to equal employment opportunity. In accordance with all such laws, rules and regulations the Grantee agrees to assure that no person shall, on the grounds of race, color, national origin, sex, sexual preference, age or handicap, be excluded from employment with Grantee, be excluded from participation in the Project, be denied benefits or otherwise be subject to discrimination under, any activity performed under this Agreement. If Grantee is found to be not in compliance with these requirements during the life of this Agreement, Grantee agrees to take appropriate steps to correct any deficiencies. The Grantee's failure to implement such appropriate steps within a reasonable time constitutes grounds for terminating this Agreement.
- B. The Grantee hereby represents and warrants the following:
- (i) The Grantee has the legal authority to receive and expend the Project’s funds.
  - (ii) This Agreement has been duly authorized by the Grantee, the person executing this Agreement has authority to do so, and, once executed by the Grantee, this Agreement shall constitute a binding obligation of the Grantee, enforceable according to its terms.
  - (iii) This Agreement and the Grantee's obligations hereunder do not conflict with any law or ordinance or resolution applicable to the Grantee, the Grantee's charter (if applicable), or any judgment or decree to which it is subject.
  - (iv) The Grantee has independently confirmed that the Project Description, including, but not limited to, the amount and Reversion Date, is consistent with the underlying appropriation in law.
  - (v) The Grantee’s governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing the person identified as the official representative of the Grantee to sign the Agreement and to sign Requests for Payment.
  - (vi) The Grantee shall abide by New Mexico laws regarding Conflict of Interest and Governmental Conduct and whistleblower protection. The Grantee specifically agrees that no officer or employee of the local jurisdiction or its designees or agents, no member of the governing body, and no other public official of the locality who exercises any function or

responsibility with respect to this Grant, during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed pursuant to this Grant. Further, Grantee shall require all of its contractors to incorporate in all subcontracts the language set forth in this paragraph prohibiting conflicts of interest.

- (vii) No funds have been paid or will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of this or any agency or body in connection with the awarding of any Third Party Obligation and that the Grantee shall require certifying language prohibiting lobbying to be included in the award documents for all subawards, including subcontracts, loans and cooperative agreements. All subrecipients shall be required to certify accordingly.

#### **ARTICLE XI. STRICT ACCOUNTABILITY OF RECEIPTS AND DISBURSEMENTS; PROJECT RECORDS**

A. The Grantee shall be strictly accountable for receipts and disbursements relating to the Project's funds. The Grantee shall follow generally accepted accounting principles, and, if feasible, maintain a separate bank account or fund with a separate organizational code, for the funds to assure separate budgeting and accounting of the funds.

B. For a period of six (6) years following the Project's completion, the Grantee shall maintain all Project related records, including, but not limited to, all financial records, requests for proposals, invitations to bid, selection and award criteria, contracts and subcontracts, advertisements, minutes of pertinent meetings, as well as records sufficient to fully account for the amount and disposition of the total funds from all sources budgeted for the Project, the purpose for which such funds were used, and such other records as the Department shall prescribe.

C. The Grantee shall make all Project records available to the Department of Finance and Administration and the New Mexico State Auditor upon request. With respect to the funds that are the subject of this Agreement, if the State Auditor finds that any or all of these funds were improperly expended, the Grantee may be required to reimburse to the State of New Mexico, to the originating fund, any and all amounts found to be improperly expended.

#### **ARTICLE XII. IMPROPERLY REIMBURSED FUNDS**

If the Department determines that part or all of the Appropriation Amount was improperly reimbursed to Grantee, including but not limited to, Project funds reimbursed to Grantee based upon fraud, mismanagement, misrepresentation, misuse, violation of law by the Grantee, or violation of this Agreement, the Grantee shall return such funds to the Department for disposition in accordance with law.

**ARTICLE XIII. LIABILITY**

Neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Agreement. Any liability incurred in connection with this Agreement is subject to immunities and limitations of the New Mexico Tort Claims Act.

**ARTICLE XIV. SCOPE OF AGREEMENT**

This Agreement constitutes the entire and exclusive agreement between the Grantee and DFA concerning the subject matter hereof. The Agreement supersedes any and all prior or contemporaneous agreements, understandings, discussions, communications, and representations, written or verbal.

**ARTICLE XV. REQUIRED NON-APPROPRIATIONS CLAUSE IN CONTRACTS FUNDED IN WHOLE OR PART BY FUNDS MADE AVAILABLE UNDER THIS AGREEMENT**

The Grantee acknowledges and agrees that Grantee shall include a “non-appropriations” clause in all contracts between it and other parties that are (i) funded in whole or part by funds made available under this Agreement and (ii) entered into after the effective date of this Agreement that states:

“The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. If sufficient appropriations and authorization are not made by the Legislature, the City of Lovington may immediately terminate this Agreement by giving Contractor written notice of such termination. The City of Lovington’s decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. Contractor hereby waives any rights to assert an impairment of contract claim against the City of Lovington or the Department of Finance and Administration, Local Government Division (DFA/LGD) or the State of New Mexico in the event of immediate or Early Termination of this Agreement by the City of Lovington or DFA/LGD.”

**ARTICLE XVI. REQUIRED TERMINATION CLAUSE IN CONTRACTS FUNDED IN WHOLE OR PART BY FUNDS MADE AVAILABLE UNDER THIS AGREEMENT**

Grantee acknowledges and agrees that Grantee shall include the following or a termination clause in all contracts that are (i) funded in whole or part by funds made available under this Agreement and (ii) entered into after the effective date of this Agreement:

“This contract is funded in whole or in part by funds made available under a Department of Finance and Administration, Local Government Division (DFA/LGD) Grant

Agreement. Should the DFA/LGD early terminate the grant agreement, the City of Lovington may early terminate this contract by providing Contractor written notice of such termination. In the event of termination pursuant to this paragraph, the City of Lovington only liability shall be to pay Contractor for acceptable goods delivered and services rendered before the termination date.”

Grantee hereby waives any rights to assert an impairment of contract claim against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department.

**XVII. COMPLIANCE WITH UNIFORM FUNDING CRITERIA.**

- A. Throughout the term of this Agreement, Grantee shall:
1. submit all reports of annual audits and agreed upon procedures required by Section 12-6-3(A)-(B) NMSA 1978 by the due dates established in 2.2.2 NMAC, reports of which must be a public record pursuant to Section 12-6-5(A) NMSA 1978 within forty-five days of delivery to the State Auditor;
  2. have a duly adopted budget for the current fiscal year approved by its budgetary oversight agency (if any);
  3. timely submit all required financial reports to its budgetary oversight agency (if any); and
  4. have adequate accounting methods and procedures to expend grant funds in accordance with applicable law and account for and safeguard grant funds and assets acquired by grant funds.

- B. In the event Grantee fails to comply with the requirements of Paragraph A of this Article XVII, the Department may take one or more of the following actions:
1. suspend new or further obligations pursuant to Article VI(A) of this Agreement;
  2. require the Grantee to develop and implement a written corrective action plan pursuant to Article VI(D) of this Agreement to remedy the non-compliance;
  3. impose special grant conditions to address the non-compliance by giving the Grantee notice of such special conditions in accordance with Article III of this Agreement; the special conditions shall be binding and effective on the date that notice is deemed to have been given pursuant to Article III; or
  4. terminate this Agreement pursuant to Article V(A) of this Agreement.

**ARTICLE XVIII. SEVERANCE TAX BOND AND GENERAL OBLIGATION BOND PROJECT CLAUSES**

A. Grantee acknowledges and agrees that the underlying appropriation for the Project is a severance tax bond or general obligation bond appropriation, which is administered by the New Mexico State Board of Finance (BOF), an entity separate and distinct from the Department. Grantee acknowledges and agrees that (i) it is Grantee’s sole responsibility to determine through BOF staff what (if any) conditions are currently

imposed on the Project; (ii) the Department's failure to inform Grantee of a BOF imposed condition does not affect the validity or enforceability of the condition; (iii) the BOF may in the future impose further or different conditions upon the Project; (iv) all BOF conditions are effective without amendment of this Agreement; (v) all applicable BOF conditions must be satisfied before the BOF will release to the Department funds subject to the condition(s); and (vi) the Department's obligation to reimburse Grantee from the Project is contingent upon the then current BOF conditions being satisfied.

B. Grantee acknowledges and agrees that this Agreement is subject to the BOF's Bond Project Disbursements rule, 2.61.6 NMAC, as such may be amended or re-codified.

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**STATE OF NEW MEXICO  
CAPITAL GRANT PROJECT  
PAPER PERIODIC/FINAL REPORT  
EXHIBIT 1**

**PERIODIC REPORT**       **FINAL REPORT**

**Grantee:** \_\_\_\_\_

**Project Number:** \_\_\_\_\_      **Reporting Period:** \_\_\_\_\_

1. Please provide a detailed status of project referenced above.

***A. Third Party Obligations***

Purchase Order or Contract # \_\_\_\_\_

Name of Contractor or Vendor: \_\_\_\_\_

Amount of Third Party Obligation: \_\_\_\_\_

Date Executed: \_\_\_\_\_

Termination Date: \_\_\_\_\_

***B. Project Phase***

Bonds Sold  Plan/Design  Bid Documents  Construction   
(provide anticipated date of commencement and completion for each phase)

2. Grant Amount adjusted for AIPP if applicable: \_\_\_\_\_

Total Amount of all Notices of Obligation to Reimburse: \_\_\_\_\_

Total Grant Amount Expended by Grantee to Date: \_\_\_\_\_

Grant Balance as of this Date: \_\_\_\_\_

Amount of Other Unexpended Funding Sources: \_\_\_\_\_

**PERIODIC REPORT**

I hereby certify that the aforementioned Capital Grant Project funds are being expended in accordance with all requirements of the Grant Agreement, and in compliance with all other applicable requirements.

**FINAL REPORT**

I hereby certify that the aforementioned Capital Grant Project funds have been completed and funds were expended in accordance with all requirements of the Grant Agreement, and in compliance with all other applicable state/regulatory requirements.

\_\_\_\_\_  
Grantee Representative/Title

\_\_\_\_\_  
Date

**STATE OF NEW MEXICO  
CAPITAL GRANT PROJECT  
Request for Payment Form  
Exhibit 2**

**I. Grantee Information**

(Make sure information is complete & accurate)

- A. Grantee: \_\_\_\_\_
- B. Address: \_\_\_\_\_  
Complete Mailing, including Suite, if applicable  
 \_\_\_\_\_  
City State Zip
- C. Phone No: \_\_\_\_\_
- D. Grant No: \_\_\_\_\_
- E. Project Title: \_\_\_\_\_
- F. Grant Expiration Date: \_\_\_\_\_

**II. Payment Computation**

- A. Grant Amount: \_\_\_\_\_
- B. AIPP Amount (If Applicable) \_\_\_\_\_
- C. Funds Requested to Date: \_\_\_\_\_
- D. Amount Requested this Payment: \_\_\_\_\_
- E. Grant Balance: \_\_\_\_\_ **\$0.00**
- F.  GF  GOB  STB (attach wire if 1st draw)
- G. Payment Request No. \_\_\_\_\_

**III. Fiscal Year Expenditure Period Ending:**  
(check one)

- (Jan-Jun)  Fiscal
- (Jul-Dec)  Year

**IV. Certification:** Under penalty of law, I hereby certify to the best of my knowledge and belief, the above information is correct; expenditures are properly documented, and are valid expenditures or actual receipts; and that the grant activity is in full compliance with Article IX, Sec. 14 of the New Mexico Constitution known as the "anti donation" clause.

**Grantee Fiscal Officer  
or Fiscal Agent (if applicable)**

Printed Name \_\_\_\_\_  
Date: \_\_\_\_\_

SWORN TO AND SUBSCRIBED  
before me on this \_\_\_\_\_ day  
of \_\_\_\_\_, 20\_\_\_\_

Notary Public \_\_\_\_\_  
My Commission expires \_\_\_\_\_

**Grantee Representative**

Printed Name \_\_\_\_\_  
Date: \_\_\_\_\_

SWORN TO AND SUBSCRIBED  
before me on this \_\_\_\_\_ day  
of \_\_\_\_\_, 20\_\_\_\_

Notary Public \_\_\_\_\_  
My Commission expires \_\_\_\_\_

**(Department Use Only)**

Vendor Code: \_\_\_\_\_  
Loc No.: \_\_\_\_\_

Fund No.: \_\_\_\_\_

Division Fiscal Officer	Date
I certify that the Grantee financial and vendor file information agree with the above submitted information	

Division Project Manager	Date
I certify that the Grantee records and related appropriation laws agree with the above submitted information.	

**STATE OF NEW MEXICO  
CAPITAL GRANT PROJECT  
NOTICE OF OBLIGATION TO REIMBURSE GRANTEE  
EXHIBIT 3**

**DATE:** \_\_\_\_\_

**TO: Grantee Representative:** \_\_\_\_\_

**FROM: Department Representative:** \_\_\_\_\_

**SUBJECT: Notice of Obligation to Reimburse Grantee**

**Project Number:** \_\_\_\_\_

As the designated representative of the Department for Grant Agreement number 13-L-1661 entered into between Grantee and the Department, I certify that the Grantee has submitted to the Department the following third party obligation executed, in writing, by the third party's authorized representative:

Third Party Obligation (includes purchase orders and contract) #: \_\_\_\_\_

Vendor or Contractor: \_\_\_\_\_

Third Party Obligation Amount: \_\_\_\_\_

Termination Date: \_\_\_\_\_

I certify that the State is issuing this Notice of Obligation to Reimburse Grantee for permissible purposes within the scope of the project description, subject to all the terms and conditions of the above referenced Grant Agreement.

Grant Amount adjusted for AIPP if applicable: \_\_\_\_\_

The Amount of this Notice of Obligation to Reimburse: \_\_\_\_\_

The Total Amount of all Previously Issued Notices of Obligation: \_\_\_\_\_

The Total Amount of all Notices of Obligation to Reimburse as of this Date:

\_\_\_\_\_

Department Representative: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**CITY OF LOVINGTON**  
COMMISSION STAFF SUMMARY FORM

MEETING DATE: September 8, 2014



TYPE:  RESOLUTION  ORDINANCE  PROCLAMATION  INFORMATION  OTHER ACTION

**SUBJECT:** Accounts Payable  
**DEPARTMENT:** Finance  
**SUBMITTED BY:** Gary Chapman, Finance Director  
**DATE SUBMITTED:** September 4, 2014

**STAFF SUMMARY:**

The Finance Department has prepared the accounts payable for your review and approval.

**FISCAL IMPACT:**

REVIEWED BY: Gary Lee Chapman  
(Finance Director)

See Accounts Payable Detail

**ATTACHMENTS:**

General Fund Accounts Payable  
Utilities Fund Accounts Payable

**RECOMMENDATION:**

Motion to approve accounts payable.

Gary Lee Chapman  
Department Head

James R. Williams  
City Manager

City of Lovington (New)  
 Summary A/P Ledger - A/P Summary CCMeeting - General  
 From 9/1/2014 Through 9/30/2014

101 - General Fund

Vendor Name	Dept Code	Current Balance
3S Services		360.78
Abraham's Construction, Inc		115,923.28
ALCO Stores, Inc		474.09
Alsco		1,168.10
American Library Sales		219.77
American Medical Group, Inc		945.29
Atco International		287.00
Baja Broadband		1.50
BeGeo Investment LLC		504.50
Benchmark		138.06
Blaine Industrial Supply		1,100.11
Bob's Thriftway		588.76
C & S Motor Parts Co.		393.42
C. W. Associates		64.20
Cactus Junction		66.00
California Cont. Supplies, Inc		389.90
Center Point Large Print		554.38
Certified Air Cond. & Applianc		657.52
Certified Laboratories		378.55
Copies, Inc.		1,186.73
Cowboys Corner		321.80
Cowboys Corner	1660	233.60
Crop Production Service		685.00
David Davila		300.00
EDC Educational Services		461.86
Estacado Library Inf. Network		45,358.30
Farmer Brothers Company		247.88
Forrest Tire Co.		1,108.29
Fred Pryor Seminars		49.00

City of Lovington (New)  
Summary A/P Ledger - A/P Summary CMeeting - General  
From 9/1/2014 Through 9/30/2014

Gale/Cengage Learning	194.91
Galls/Quartermaster	302.56
Gasco Mfg. Corp.	12.70
Gebo Credit Corporation	166.36
General Welding Supply	410.00
Goserco, Inc.	2,408.55
GT Distributors, Inc.	10,132.00
H & K Pest Control Co.	117.32
Higginbotham-Bartlett Co.	2,225.17
Hobbs News-Sun	235.10
Hospital Services Corporation	129.32
Hustler Turf Equipment, Inc.	19,880.00
John's Carpet Barn	628.50
Joyce's Threadworks	12.81
Kandy Kane Water Well Service	100.22
KLEA Radio	450.00
Lea County Roadside	340.08
Lea County Septic Tank Service	485.30
Lovington Auto Supply	1,036.07
Lovington Leader	1,502.09
M & R Tire Service, LLC	17.10
Master Printers	538.25
Med-Vet International	751.54
Michael Frederick	42.00
Modern Marketing	1,798.67
Morris Publishing Group	346.80
Mustang Country	506.63
National Business Furniture	1,575.00
New Mexico Municipal League	30.00
NM Municipal League	800.00
Noble Industrial Supply Corp	524.58
Nutri-Systems Corporation	1,357.11

City of Lovington (New)  
Summary A/P Ledger - A/P Summary CMeeting - General  
From 9/1/2014 Through 9/30/2014

OCLC, Inc.		208.19
Ole-Jax Drive In		70.00
P & D Petroleum, Inc		13,822.11
Permian GMC		13.16
Premier Electric		3,062.32
Pro-Treat Power Equipment		1,677.31
Professional Ambulance Sales		380.25
Public Safety Center, Inc.		637.54
Ram Software Systems		1,675.00
Roberts Oil & Lube		836.55
Robotronic Inc		3,997.00
San Bar Construction Corp		2,303.33
Sirchie Finger Print Lab, Inc.		711.67
Stanley Brownfield Motorplex		294.65
Staples Advantage		1,905.37
Star Welding Service		459.37
Steel Depot-Hobbs		678.20
Stericycle, Inc.		2,213.05
SWAT, LLC		1,919.44
SYSCO West Texas, Inc.		723.66
Tate Branch Dodge		867.84
Texas Fire Hydrant Maintenance		2,184.05
Tom's Plumbing		125.00
Tom's Sharp Shop		683.87
U S Food Service		3,182.59
University Small Animal Clinic	1660	25.00
Valentine Auto Service		1,741.94
VerMed		541.05
Watermaster Irrigation Supply		503.50
Workhorse		29.99
Xerox Government Systems. LLC		<u>2,099.00</u>
Report Balance		<u>272,796.41</u>

City of Lovington (New)  
Summary A/P Ledger - A/P Summary CCMeeting - General  
From 9/1/2014 Through 9/30/2014

City of Lovington (New)  
 Summary A/P Ledger - A/P Summary CMeeting - General  
 From 9/1/2014 Through 9/30/2014

Payee	Transaction Description	Check Amount
Abraham's Construction, Inc	Central Plaza Phase I- Construction	81,481.50
AT&T Mobility	Gen-Cell Phone bills for July 2014	2,155.36
Blaine Industrial Supply	Denton-Kwik MP 20 Bowl And Porcelain cleaner	43.99
Blaine Industrial Supply	Library- Disenfectant Cleaner/Flo Rolls/Urinal Screen	165.76
Blaine Industrial Supply	Library-Kitchen roll towel	30.89
Blaine Industrial Supply	Motor Vehicle- Liner	39.67
C E S	Finance- Comprehensive Plan- Development of Vision/Plan Elemen	9,226.93
C E S	Parks-Erect Building 74%	8,665.97
C E S	Complete Streets-9th Street Reconstruction 95% Complete	1,690.00

City of Lovington (New)  
 Summary A/P Ledger - A/P Summary CMeeting - General  
 From 9/1/2014 Through 9/30/2014

C.D. General Contractors	senior Center- Roof Repairs Payment #3	2,694.56
Cactus Junction	Vet/Animal Control-Jacket/4 Shirts	36.00
Fay Ferguson	Embroidered Senior Center- Reimb for	85.68
Gary Chapman	Binders Finance-Reimb remainig travel	2,757.81
General Code Publishers	Exprnses Finance- Lawsefiche	1,187.94
General Welding Supply	Assurance Ambulance-1yr Cylinder lease	1,470.00
Geoffrey Herweg	Renewal Police-Reimb Apple Lightning Car Chrg	42.79
Heidel, Samberson, Newell ,Cox	Finance- Attorney Fees 7/14/14-8/11/14	4,659.64
Hobbs News-Sun	Lodgers Tax- Adverstising 4th of July 2014	98.94
Intl Institute Municipal Clks	Finance-Annual Membership Fee 2014	170.00
Jack Hamilton Tire Co.	Ambulance- Tires	265.72
Jim Trujillo	Judicial- Alternate Judge July 31 2014	64.12
Kelly-Creswell	Streets-Heavy Duty C With Traction	2,040.31

City of Lovington (New)  
 Summary A/P Ledger - A/P Summary CMeeting - General  
 From 9/1/2014 Through 9/30/2014

Kelly-Creswell	Streets-stripping Machine and Parts	9,566.41
Lea County Electric	Gen-Electric Bill July 2014	24,105.29
Lea County Treasurer	Judicial-Inmate housing July 2014	3,766.25
Lee Gamelsky Architects	Finance-Central Plaza 100% Bidding Phase/80% Const Admin	4,451.20
Lovington Chamber of Commerce	Lodgers Tax- Vistor Upkeep Center August 2014	1,000.00
Lovington Main Street	Finance- Reimb 2nd Qrt Farmers Market/Smokin On the Plaza.Co	8,133.72
Marker Services, LLC	Youth Center- Replace Lennox 10 ton AC	11,190.47
N & N Auto Salvage	Fire-Junk Cars for Extrication Training	200.00
New Mexico Gas Company	Gen-Utility Gas Bill July 2014	454.95
New Mexico Property & Evidence	Police- Conference/Me mbership N Marquez	150.00

City of Lovington (New)  
 Summary A/P Ledger - A/P Summary CMeeting - General  
 From 9/1/2014 Through 9/30/2014

NM Judicial Education Center	Judicial Education Fees for July, 2014	631.00
Odessa Pumps & Equipment	Swimming Pool- Repairs to Circulating Pump	1,052.26
Olin Lynch	Police-Reimb Iphone 4 Car Charger	32.24
Pettigrew & Associates, P. A.	Finance-Survey Project 2014.1221	808.38
Phillips 66 Co.	Gen-Fuel Card	319.58
Ryan Capps	Ambulance-Fuel Diesel For ambulance	178.26
Solar Traffic Systems	Streets-Solar Stop Signs	22,010.00
Southeastern NM Economic Devel	Finance-2014- 2015 Member Government Contribution	2,652.00
Staples	Senior Center- Office Supplies	467.92
Strong Electric	Parks-Ave D Park Restrooms	742.98

City of Lovington (New)  
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Strong Electric	Recreation- Work on Wire for Sprinkler at Complex	115.43
SWAT, LLC	Motor Vehicle- Dell Inspiron Laptop	1,337.28
Sweetie Pies	Finance- Sandwiches/Coo kies for Work Session for Dept Heads	308.00
Visa	Visa JW 6047 Police Academy Uniforms	754.57
Visa	Visa-JW 6047 Finance Itunes Pages for Finance Director Inad	21.36
Visa	Visa-JW 6047 Finance Food for Worksession Day 2	341.35
Visa	Visa-Jw 6047 Finance E-Plex Enterprise Software	499.00
Visa	VISA-JW 6047 Case for Phone for James Williams	85.45
Visa	VISA-JW 6047 6/14 G Finance Airline tickets J Williams/J Cobb Travel to Charlotte, Nc for ICMA Conference	904.40

City of Lovington (New)  
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Visa	Visa-8456 CA Hogue 8.14 Finance Center Drawer For Carolann Office	111.99
Visa	Visa-8456 CA Hogue 8.14 Police Post Office	30.09
visa	Visa-8456 CA Hogue 8.14- Police Ear Pieces	161.89
	Visa-8456 CA Hogue-8.14 Finance Postage for Final budget/Quarterl y Report	11.60
Visa	Visa-8456 CA Hogue 8.14- Police Microsoft Office 210 Standard 32 bit/64 Bit	319.96
Visa	Visa-8456 CA Hogue-8.14 Police-Supplies for Dispatch Cabinets/Paint	485.88
Visa	VISA 8621 ORIG TRAVEL 2 AUG 2014 Parks-Latch Totes 50 gal	85.32

City of Lovington (New)  
 Summary A/P Ledger - A/P Summary CCMeeting - General  
 From 9/1/2014 Through 9/30/2014

Visa	Visa-7334 JC 8.14 Finance APA Job Listing City Planner	50.00
Visa	VISA-7334 JC 8/14 Finance- Dry Erase WhiteBoard, Dry Erase Markers	74.76
Visa	VISA 6047 JW 8/14 HANDCHECK S	2,606.13
Visa	VISA NW TRV 7326-Fire Firefighter Facility Training Burns	500.00
Windstream	Gen-Phone Bill July 2014	4,593.46
Windstream	Chamber of Commerce- Phone Bill July 2014	257.30
Windstream	EDC-Phone Bill July 2014	197.63
WWRC, Inc	Musuem-Lister Building Roofing Payment #4	<u>20,113.88</u>
		<u><u>717,016.53</u></u>

City of Lovington (New)  
Summary A/P Ledger - A/P Summary CCMeeting - Water  
From 9/1/2014 Through 9/30/2014

505 - Water & WasteWater

Vendor Name	Current Balance
A & L Plains Agricultural Lab	1,428.00
American Medical Group, Inc	293.73
ASCO	6,009.47
Blaine Industrial Supply	165.77
Bob's Thriftway	177.66
C & S Motor Parts Co.	302.10
California Cont. Supplies, Inc	215.92
Cardinal Laboratories	112.15
Certified Laboratories	4,809.27
Copies, Inc.	765.66
Culligan Water Conditioning	24.50
Dana Kepner Co.	4,581.95
DPC Industries Inc.	847.47
Farmer Brothers Company	46.22
Ferguson Waterworks #3083	490.58
Gebo Credit Corporation	949.96
General Mailing & Shipping	21.95
Haarmeyer Electric	689.04
Hach Co.	129.69
Higginbotham-Bartlett Co.	803.54
Hospital Services Corporation	68.40
IMP	88.57
J & L Equipment	1,260.95
Jim D Koontz & Associates	0.00
John Shomaker & Associates, IN	5,232.18
Just Supplies	54.50
Lea County Water Users Assoc.	724.85
Lobo Nut & Bolt, Inc	15.42
Lovington Auto Supply	332.71
Lovington Leader	418.95

City of Lovington (New)  
Summary A/P Ledger - A/P Summary CCMeting - Water  
From 9/1/2014 Through 9/30/2014

Master Printers	858.50
New Mexico 811	471.73
NMWWA-SE Section	36.00
P & D Petroleum, Inc	3,317.25
Patriot Pipe & Supply LTD	47.25
PBMaterials DBA Wallach Concre	274.50
Polydyne Inc.	504.00
Rocky Mountain Office Systems	2,328.41
Staples Advantage	228.48
Sunguard Tinting & Accessories	627.00
Texas Fire Hydrant Maintenance	2,184.05
Tom's Sharp Shop	<u>112.76</u>
Report Balance	<u><u>42,051.09</u></u>

City of Lovington (New)  
Summary A/P Ledger - A/P Summary CCMeting - Water  
From 9/1/2014 Through 9/30/2014

Payee	Transaction Description	Check Amount
AT&T Mobility	Water-Cell Phone Bill July 2014	585.24
Barry Ferguson	WasteWater-Reimb for Fuel	45.00
Lea County Electric	Water-Electric Bill July 2014	29,491.02
Miguel Astudillo	WasteWater-Reimb for Meal in Albuq/Training	8.32
New Mexico Gas Company	Water-Utility Gas Bill July 2014	99.06
Odessa Pumps & Equipment	Water-Repairs to marsh pump	680.00
Pettigrew & Associates, P. A.	Water-Professional Service for Wells 28,29 &30	1,348.77
Solid Waste Authority	Solid Waste-Dumping Roll-offs July 2014	6,224.67
Staples	WasteWater-Office Supplies	163.88
Strong Electric	Water-Parts/Labor work on Ave D Water Tower	680.92
Utility Operator Certification	WasteWater-Certification fee/I Jacobo/S Hernandez	120.00
Visa	Visa-jw 6047 6/14 WasteWater-Hotel Rooms at the Inn of Mountain God and Buffet at the Inn of the Mountain God training in Ruidosa NM	470.99
Visa	VISA JC 7334 W-- 8/14-WasteWater- Repairs to Whale Submersible Pump.	155.60
Visa	VISA-NW TRV 7326 WasteWater- Hotel and food for training in Albuq NM	512.91

City of Lovington (New)  
Summary A/P Ledger - A/P Summary CCMeeting - Water  
From 9/1/2014 Through 9/30/2014

Waste Management of New Mexico	Solid Waste-Polycarts June 2014 Comm \$53804.05-Res \$64575.78	118,379.83
Waste Management of New Mexico	Solid Waste-Roll-Offs July 2014	10,584.26
Waste Management of New Mexico	Solid Waste-Polycarts 7/14 Resid \$64,543.66 Comm \$54,560.39	119,104.05
Windstream	Water-Phone Bill For July 2014	457.36
Windstream	WasteWater-Internet Service 8/14	<u>124.22</u>
		<u><u>374,988.50</u></u>