

A G E N D A
CITY OF AZTEC
CITY COMMISSION MEETING
March 12, 2018
201 W. Chaco, City Hall
6:00 p.m.

I. CALL TO ORDER

II. INVOCATION

III. PLEDGE OF ALLEGIANCE

IV. NEW MEXICO PLEDGE

I Salute The Flag Of The State Of New Mexico And The Zia Symbol Of Perfect Friendship Among United Culture's.

V. ROLL CALL

VI. ELECTION RESULTS OF MARCH 6, 2018

A. Official Results Report of Regular Municipal Election of March 6, 2018

VII. COMMISSIONERS OATH OF OFFICE

A. The Honorable Judge Carlton Gray will administer the Oath of Office for New Commissioners

RECEPTION FOR OUTGOING AND INCOMING COMMISSIONERS

VIII. COMMISSION ORGANIZATIONAL MEETING

A. Elections of Mayor and Mayor Pro-Tem.....Commissioners

B. Appointments of Commissioners to Boards/Committees.....Commissioners

IX. AGENDA APPROVAL

X. CITIZEN RECOGNITION

XI. EMPLOYEE RECOGNITION

ATTENTION PERSONS WITH DISABILITIES: The meeting room and facilities are fully accessible to persons with mobility disabilities. If you plan to attend the meeting and will need an auxiliary aid or service, please contact the City Clerk's Office at 334-7600 prior to the meeting so that arrangements can be made.

Note: A final agenda will be posted 72 hours prior to the meeting. Copies of the agenda may be obtained from City Hall, 201 W. Chaco, Aztec, NM 87410.

XII. CONSENT AGENDA

- A. Commission Workshop Meeting Minutes February 27, 2018
- B. Commission Meeting Minutes February 27, 2018
- C. NM ALSTD Grant Agreements A16A5060
- D. Resolution 2018-1076 Surplus

Items placed on the Consent Agenda will be voted on with one motion. If any item proposed does not meet the approval of all Commissioners, a Commissioner may request that the item be heard under "items from Consent Agenda"

XIII. ITEMS FROM CONSENT AGENDA

XIV. CITIZENS INPUT (3 Minutes Maximum)

(Citizens who wish to speak will sign up prior to the meeting. This is for items not otherwise listed on the agenda)

XV. BUSINESS ITEMS

- A. NMED CWSRF 09 Wastewater Treatment Plant Loan Refinance

XVI. CITY MANAGER/COMMISSIONERS/ATTORNEY REPORTS

XVII. DEPARTMENT REPORTS

(When this item is announced, all Department Heads who wish to give a report will move to the podium)

XVIII. ADJOURNMENT

ATTENTION PERSONS WITH DISABILITIES: The meeting room and facilities are fully accessible to persons with mobility disabilities. If you plan to attend the meeting and will need an auxiliary aid or service, please contact the City Clerk's Office at 334-7600 prior to the meeting so that arrangements can be made.

Note: A final agenda will be posted 72 hours prior to the meeting. Copies of the agenda may be obtained from City Hall, 201 W. Chaco, Aztec, NM 87410.

Staff Summary Report

MEETING DATE:	March 12, 2018
AGENDA ITEM:	VI. ELECTION RESULTS OF MARCH 6, 2018
AGENDA TITLE:	Report of Regular Municipal Election Official Results of March 6, 2018

ACTION REQUESTED BY:	Karla Sayler, City Clerk
ACTION REQUESTED:	No Action Required
SUMMARY BY:	Karla Sayler

PROJECT DESCRIPTION / FACTS

- State Statute 3-8-53 states that no later than noon on the third day after the election, the results of the election shall be canvassed.
- The results of the Regular Municipal Election held on March 6, 2018 were canvassed on March 8, 2018 with canvassing board consisting of The Honorable Judge Karen Townsend and Karla Sayler, City Clerk.
- The support documents for the official results will be handed to Commission at the Commission Meeting on March 12 2018.

SUPPORT DOCUMENTS:	1) Certification of Election 2) Canvass Return Sheet
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DEPARTMENT'S RECOMMENDED MOTION: None required.

I further certify that the results of the Canvass of Returns of such Regular Municipal Election held in the City of Aztec for three Commissioners to serve a four year term on the City Commission are as set forth in the foregoing abstract of said election returns as made to me, as aforesaid, and I do hereby declare and certify that at said election the following named persons were duly elected to the respective offices set opposite their respective names, to wit:

For Commissioners

Commissioner for a four year term: Rosalyn A. Fry

Commissioner for a four year term: Victor C. Snover

Commissioner for a four year term: Mark E. Lewis

Canvassing Board Signatures:

District Judge, Karen Townsend / Date

Karla H. Sayler, Municipal Clerk, / Date

CANVASS

RETURN SHEET
FOR THE CITY OF AZTEC
REGULAR MUNICIPAL ELECTION OF MARCH 6, 2018

Aztec City Hall

Votes cast on Machine (Election Day) (AAFEBEH0231)	189
Votes cast on Machine Absentee (through mail) (AAFEBDW0129)	2
Votes cast on Machine Early (In Person) (AAFEBEM0024)	141
TOTAL NUMBER OF VOTES CAST:	<u>332</u>

We the undersigned, certify the above and foregoing is a correct canvass of returns of the election held at the time and place indicated above.

Witness our signatures this **6th** day of March, **2018**:

District Judge Karen Townsend / Date

Karla H. Saylor, Municipal Clerk / Date

Staff Summary Report

MEETING DATE: March 12, 2018
AGENDA ITEM: VIII. COMMISSION ORGANIZATIONAL MEETING (A)
AGENDA TITLE: Elections of Mayor and Mayor Pro-Tem

ACTION REQUESTED BY: Commission and Staff
ACTION REQUESTED: Election of Mayor and Election of Mayor Pro-Tem
SUMMARY BY: Karla Sayler, City Clerk

PROJECT DESCRIPTION / FACTS

- As required in State Statute 3-8-33-H the newly elected officials of the governing body who have taken office, the elected officials of the governing body whose terms have not expired and the elected officials of the governing body whose successors have not taken office shall meet not earlier than the sixth day after the election or later than the twenty-first day after the election for an organizational meeting. Such a meeting may be a special meeting or a regular meeting of the governing body.
- During this meeting the Commission will nominate and elect a Mayor and Mayor Pro-Tem

SUPPORT DOCUMENTS: None

DEPARTMENT'S RECOMMENDED MOTION: Move to Approve To Elect a Mayor and Mayor Pro-Tem

Staff Summary Report

MEETING DATE: March 12, 2018
AGENDA ITEM: VIII. ORGANIZATIONAL MEETING (B)
AGENDA TITLE: Appointments of Commissioners to Boards/Committees

ACTION REQUESTED BY: Commission and Staff
ACTION REQUESTED: Appointment of Commissioners to Boards/Committees
No Motion Necessary

SUMMARY BY: Karla Sayler, City Clerk

PROJECT DESCRIPTION / FACTS

- During this meeting the Commission will discuss and determine appointments to various Boards.
- Please review attached lists

Although neither the San Juan Water Commission nor Metropolitan Planning Organization are Boards developed by the Aztec City Commission a commissioner may be appointed to these boards.

SUPPORT DOCUMENTS: Various Board/Committee Lists

DEPARTMENT'S RECOMMENDED MOTION: No Motion Necessary

Advisory Boards	Fry	Lewis	Randall	Sipe	Snover	Other
Airport						
Library						
Lodger's Tax						
Economic Development						
Personnel Committee (this Committee is a two person committee only for the purpose of communicating with the City Manager relating to his performance on a quarterly/semi-annual basis on behalf of Commission)						

Intergovernmental Boards	Fry	Lewis	Randall	Sipe	Snover	Other
Four Corners Economic Development Foundation (this appointment serves on the 501c3 Foundation board and that seat automatically serves on the 501c6 board also)						
San Juan Safe Communities Initiative						
Farmington Metropolitan Planning Organization						
NW New Mexico Seniors						
ECHO						
San Juan Water Commission						
San Juan Regional Medical Center Corporation						
Council of Governments (COG)						
County Commission Representatives						

Advisory Boards	Randall	Burbridge	McClure	Sipe	Rogers	Other
Airport					X	
Library			X			
Lodger's Tax	X					
Economic Development				X		
Personnel Committee (this Committee is a two person committee only for the purpose of communicating with the City Manager relating to his performance on a quarterly/semi-annual basis on behalf of Commission)		X	X			

Intergovernmental Boards	Randall	Burbridge	McClure	Sipe	Rogers	Other
Four Corners Economic Development Foundation (this appointment serves on the 501c3 Foundation board and that seat automatically serves on the 501c6 board also)		X				
San Juan Safe Communities Initiative					X	
Farmington Metropolitan Planning Organization				X		
NW New Mexico Seniors				X		
ECHO						
San Juan Water Commission	X (ALT)					JOSH RAY
San Juan Regional Medical Center Corporation						DR. BARKMAN
Council of Governments (COG)	X					JOSH RAY
County Commission Representatives					X	



AIRPORT ADVISORY BOARD

(Revised December 2016)



Meetings Held 2nd Monday of the 1st Month of Each Quarter (January, April, July and October) at 4:30 pm
Aztec Commission Room, 201 W. Chaco

Chair

Vacant

(2 year term)

Vice Chair

(July 2018)

(2 year term)

Dale Rhodes

206 Mesa Dr.

Aztec, NM 87410

505.215.5923

o.dalerhodes@yahoo.com

Member

(July 2018)

(2 year term)

Doug Beery

16858 Hwy 550

Aztec, NM 87410

505.320.1034

doug@beeryscompression.com

Member

(July 2018)

(2 year term)

Kevin Neville

15B Rd. 3029

Aztec NM 87410

330-6349

kpnaztec@msn.com

Member

(July 2018)

(2 year term)

Jason Walkinshaw

8 Rd. 2723

Aztec, NM 87410

505.486.4266

jaycocustoms@hotmail.com

Member

(July 2018)

(2 year term)

Andrew Glinn

2 Rd. 2951

Aztec, NM 87410

308.289.5220

Dglinn27@yahoo.com

Member

Vacant

Commission Representative

(July 2018)

(2 year term)

Sheri Rogers

3521 Rhodes Dr

Aztec, NM 87410

505-334-3890

srogers@aztecnm.gov



ECONOMIC DEVELOPMENT ADVISORY BOARD

(Revised December 2016)



Meetings held on the 3rd Thursday, Monthly

Chairman - Member at Large	John Faverino 3 E Energy Services Owner	640 Pioneer Ave Aztec, NM 87410 Bus: 334-3662 Cell: 320-0450 faverino@3e-energy.net
Vice-Chairman Member At Large	Kim Preston Retired Engineer	329 CR 2900 Aztec, NM 87410 Bus: 215-2683 lizardius@q.com
Member - Financial Community	Brian Bone High Desert CU Manager	302 S Ash St Aztec, NM 87410 Bus: 566-4920 bbone@babcu.org
Member - Aztec Chamber of Commerce	Theresa Bailey Microtel Manager	623 Phoenix Court Aztec, NM 87410 Bus: 334-4014 gm@aztecmicrotel.com
Member - Four Corners Economic Development	Alicia Corbell	4601 College Blvd Farmington, NM 87401 Bus: 505-566-3346 corbella@sanjuancollege.edu
Member - City Commissioner Representative	Sherri Sipe Mayor Pro-Tem	201 W Chaco St Aztec, NM 87410 Cell: 330-0331 ssipe@aztecnm.gov
City Staff Representative	Steven Saavedra City of Aztec Community Development Director	201 W Chaco St Aztec, NM 87410 Bus: 334-7689 ssaavedra@aztecnm.gov
City Staff Minute Taker	Dawn Lewis City of Aztec Community Development	201 W Chaco St Aztec, NM 87410 Bus: 334-7604 dlewis@aztecnm.gov



LIBRARY ADVISORY BOARD

(Revised December 2016)



**Meetings Held 2nd Wednesday of Odd Numbered Months
(January, March, May, July, September, November)
at 5:30 P.M., at the Library**

Position #1	Vacant	
Position #2	Melinda Martinez	Member 2016 to 2019. May hold one more term.
Position #3 (Vice President)	Pamela Madson 334-3032 (V) 860-3489 (C) tinkerman1@gmail.com	Member 2015 to 2018. May hold one more term.
Position #4 (Secretary)	Lynne Spence 320-3583 (C) spencelynne@yahoo.com	Member 2014 to 2017. May hold one more term.
Position #5	Ellen Jensen 330-6329 (C) ejensen12@gmail.com	Member 2012 to 2019. May not hold one more term.
Teen Representative	Vacant	
Library Director	Kate Skinner 334-7658 (W) 360-440-0460 (C) kskinner@aztecnm.gov	
Commission Representative	Katee McClure (505) 330-4616 kmclure@aztecnm.gov	

Regular meetings are on the 2nd Wednesday of each odd numbered month, normally at 5:30 pm. Location as appropriate, but normally at the library meeting room. A term is four years; after two consecutive four year terms, it is required that two years elapse prior to taking office on the Board again.



LODGERS' TAX ADVISORY BOARD

(Revised December, 2016)



Meetings Held January, March, May, July, September and November on the 3rd
Monday at 2:00 pm

Member 9/2016	Jimmy Miller millerj@sanjuancollege.edu	Commission Representative	Austin Randall Commissioner
Member 07/2014	Sam Blue Ace Development acedevelopment@questoffice.net	City Representatives	City Manager (505) 334-7602
Vice Chairman 04/04/2006	Michael Mehta Enchantment Lodge mmehta9@netzero.net	City Representatives	Sherlynn Morgan City Mgr's Admin. Assistant (505) 334-7606 smorgan@aztecnm.gov
Chairman 07/2014	Theresa Bailey Microtel 505-334-4014 gm@aztecmicrotel.com	City Representatives	Kathy Lamb Finance Director (505) 334-7650 klamb@aztecnm.gov
Member	VACANT	City Representatives	Kris Farmer Finance (505) 334-7651 kfarmer@aztecnm.gov
		Chamber of Commerce Representative	VACANT

1 CITY OF AZTEC
2 WORKSHOP MEETING MINUTES
3 February 27, 2018
4

5 **I. CALL TO ORDER**

6 Mayor Burbridge called the Workshop to order at 5:05 pm at the Aztec
7 City Commission Room, City Hall, 201 W. Chaco, Aztec, NM.
8

9 MEMBERS PRESENT: Mayor Sally Burbridge; Mayor Pro-Tem Sipe;
10 Commissioner Austin Randall; Commissioner
11 Sheri Rogers; Commissioner, Katee McClure
12 (Via Facetime)
13

14 MEMBERS ABSENT: None
15

16 OTHERS PRESENT: Interim City Manager Steve Mueller; City
17 Attorney Larry Thrower; Finance Director,
18 Kathy Lamb; Project Manager, Ed Kotyk; City
19 Clerk, Karla Sayler
20

21 **A. Clean Water State Revolving Fund 09 Wastewater Treatment Plant**
22

23
24 Finance Director Kathy Lamb explained that NMED has advised the City that we have
25 the opportunity to refinance this loan. The EPA is offering interest rate of 1.2% with a
26 refinance cost of \$64,675.32. The current interest rate is 2%. This will not extend the
27 length of the loan which is currently 12 years. The City can prepay the loan at any time
28 without a penalty. The total interest savings over the next 12 years will be \$113,214.01
29

30 **II. ADJOURNMENT**

31
32 Moved by Mayor Burbridge to adjourn the meeting at 5:40 p.m.
33
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35

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37 _____
38 Mayor, Sally Burbridge

39
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41 ATTEST:

42 _____
43 Karla Sayler, City Clerk
44

45 MINUTES PREPARED BY:

46 _____
47 Sherlynn Morgan, Administrative Assistant

1 CITY OF AZTEC
2 COMMISSION MEETING MINUTES
3 February 27, 2018
4

5 **I. CALL TO ORDER**

6 Mayor Sally Burbridge called the Meeting to order at 6:03 pm at the Aztec City
7 Commission Room, City Hall, 201 W. Chaco, Aztec, NM.
8

9 **II. INVOCATION**

10
11 The Invocation was led by City Attorney Larry Thrower
12

13 **III. PLEDGE OF ALLEGIANCE**

14
15 The Pledge of Allegiance was led by David Williams
16

17 **IV. NEW MEXICO PLEDGE**

18
19 The New Mexico Pledge was led by David Williams
20

21 **V. ROLL CALL**

22
23 Members Present: Mayor Sally Burbridge; Mayor Pro-Tem Sipe;
24 Commissioner Austin Randall; Commissioner Sheri
25 Rogers; Commissioner Katee McClure (Via Facetime)
26

27 Members Absent: None
28

29 Others Present: City Attorney Larry Thrower; City Clerk Karla Saylor;
30 Project Manager Ed Kotyk (see attendance sheet)
31

32 **VI. AGENDA APPROVAL**

33
34 MOVED by Commissioner Randall, SECONDED by Mayor Pro-Tem Sipe to
35 Approve the Agenda
36

37 All Voted Aye; Motion Passed Five to Zero
38

39 **VII. CITIZEN RECOGNITION**

40
41 The Aztec Wrestling Team was recognized as the most current State Champions.
42 Coach Monty Maxwell introduced all the wrestlers and coaches. Steve Mueller
43 mentioned that this was the first State Championship in 16 years. Commission thanked
44 and congratulated everyone.
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46 **VIII. EMPLOYEE RECOGNITION**

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Steve Mueller recognized Steven Saavedra for achieving his Certified Flood Plain Manger Certification (CFPM).

IX. CONSENT AGENDA

MOVED by Commissioner Randall, SECONDED by Commissioner Rogers to Approve the Consent Agenda as given

- A. Commission Workshop Meeting Minutes February 13, 2018
- B. Commission Meeting Minutes February 13, 2018
- C. Agreement for Mosquito Control with San Juan County
- D. Volunteer Firefighters Annual PERA Reporting
- E. RFP 2018-632 City Attorney Contract Award
- F. Resolution 2018-1075 Surplus

All Voted Aye: Motion Passed Five to Zero

X. ITEMS FROM CONSENT AGENDA

None

XI. CITIZENS INPUT

None

XII. LAND USE HEARING

Mayor Burbridge opened the Land Use Hearing for 2017 Hilcorp Inc Drill Site Permit located at SWNE of Section 16, T30N, R11W 1470 FNL, 1770 FEL San Juan County. Mayor Burbridge stated that this hearing would be conducted under Procedures mandated by the New Mexico Court of Appeals in Battershell versus the City of Albuquerque, which were intended to protect the due process rights of our parties. Mayor Burbridge subsequently identified the parties and City Staff. Mayor Burbridge then asked Commission if they would accept the parties and they did. She reviewed the procedures and then asked if any members of the Commission had a conflict of interest, bias, or engaged in ex parte communication, there were none. Mayor Burbridge then swore in the parties and reviewed the Order of Presentation.

- A. 2017 Hilcorp Inc. Drill Site Permit

Steven Saavedra Community Development Director explained that this is a request to modify an existing gas well to be installed at the above location. This site is situated within Aztec's municipal limits on private property owned by the First Baptist

91 Church. The proposed site is in the City's Eastern area, south of Aztec High School.
92 Steven mentioned that Keri Hutchins submitted the application on behalf of Hilcorp San
93 Juan. The information submitted with the application adheres to Chapter 15 Oil and Gas
94 Wells. The application includes the State of New Mexico OCD approvals, a copy of the
95 oil and gas lease agreement, certificate of insurance, dust mitigation plan, noise
96 mitigation plan, and weed mitigation plan. The visual mitigation plan is incomplete and
97 needs to adhere to screening requirements pursuant to COA 15-25(6). The well is
98 approximately 485 feet from the nearest well. The recommendation for approval will be
99 contingent on the development adhering to all of the processes and performance
100 measures described in all mitigation plans, and all other regulations whether they be
101 federal, state or local in origin. The approval is also conditioned upon the development
102 maintain compliance with the industry's own Standard Best Management Practices. The
103 Community Development Department request a site visit from the Hilcorp San Juan L.P.
104 to ensure all mitigation plans and conditional of approval be met during and after
105 construction. Steven mentioned that applicants can apply and request a waiver for the
106 screening. If Commission finds a hardship than a waiver can be granted. Commissioner
107 McClure asked if the area around the well would be developed. Steven said that in the
108 immediate future it wouldn't but in the next 15 or 20 years it might. Steven mentioned
109 that a hardship must exist and he gave them the 5 hardship qualifications. He
110 recommend that for future decisions that they follow the list of hardships to make things
111 uniform. Commission recommended to remove finding of fact #8 which would not
112 require the applicant to screen around the well pad area.

113
114 MOVED by Commissioner Randall, SECONDED by Mayor Pro-Tem Sipe to
115 Approve OG 18-01 an Oil and Gas Well application submitted by Keri Hutchins on
116 behalf of Hilcorp San Juan, L.P. for permission to modify an existing well at the location
117 indicated per the staff report accepting the finding of fact 1-10, with the exception of #8
118 that the visual mitigation plan does not need to include screening around the well pad
119 fenced area pursuant to the code (15-32).

120 A Roll Call Was Taken; 4 Voted Aye; Commissioner McClure Voted Nay;
121 Motion Passed; Four to One

122
123 B. ZC (OLZ) 18-01 North Main Overlay Zone District, City of Aztec

124
125 Steven Saavedra explained that approval of Overlay District is appropriate. The purpose
126 of the North Main Avenue Overlay Zone (NMAO) is to provide standards that encourage
127 development of an active, pedestrian-oriented retail and mixed-use district linking Downtown
128 Aztec via the pedestrian plaza and the trailhead to the Animas River Trail and Aztec Ruins
129 National Monument. The Community Development Department recommends approval for the
130 establishment of the North Main Avenue Overlay District for selected C-1 properties, located
131 north of Aztec Blvd. (NM Highway 516) and North Main Avenue (NM Highway 550) intersection.
132 Mayor Burbridge had questions regarding the signage allowed.

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After discussion the Commission decided to table this item because Ordinance 2018-469 (Business Item (A)) was not in place.

MOVED by Mayor Burbridge, SECONDED by Mayor Pro-Tem Sipe to table Land Use Hearing Zone Change (OVZ) 18-01 North Main Overlay Zone District, City of Aztec to the meeting to occur on March 27, 2018.

A Roll Call Was Taken; All Voted Aye: Motion Passed Five to Zero

XIII. BUSINESS ITEM

A. Intent to Adopt Ordinance 2018-469 Amending Chapter 26 Land Use Regulations, Article II Zone District and Overlay Regulations to include the North Main Avenue Overlay District.

Mayor Burbridge suggested to strike the corporate signage from the ordinance.

MOVED by Mayor Pro-Tem Burbridge, SECONDED by Commissioner Rogers to Approve the Intent to Adopt Ordinance 2018-469 Amending Chapter 26 Land Use Regulations, Article II Zone District and Overlay Regulation to include the North Main Avenue Overlay District and accept Finding of Fact 1-5 and striking section 26-2-255 #7.

A Roll Call Was Taken; All Voted Aye; Motion Passed; Five to Zero

B. Final Adoption of Ordinance 2018-468 Amending Chapter 26 Sections 2-56, 2-66, and 2-76 Eliminating Certain Conditional Use Requirement for Offices in the O-1 District and Personal Services in the C-1 and C-2 District.

Community Development Director Steven Saavedra mentioned that there have been no public comments.

MOVED by Mayor Pro-Tem Sipe, SECONDED by Commissioner Randall to Approve Ordinance 20-468 Amending Chapter 26, Sections 2-56, 2-66, and 2-76 Eliminating Certain Conditional use requirements for offices in the O-1 district and personal services in the C-1 and C-2 district.

A Roll Call Was Taken; 5 Aye; 0 Nay Motion Passed; Five to Zero

169 **XIV. CITY MANAGER/COMMISSIONERS/ATTORNEY REPORTS**

170
171 Mayor Burbridge mentioned that she had been given a book by Guzman Energy
172 "Modernizing Americas Electricity Infrastructure" and Aztec was mentioned in the book
173 as one of the first Cities in NM to make improvements in this area. She reminded
174 everyone about the Mayors Ball on Saturday, March 3rd at the Gateway Museum at
175 5:30.

176
177 Commissioner Sipe mentioned that she had attended the MPO meeting last week
178 and the MPO Joint Powers Agreement and by-laws to include Kirtland had been post-
179 phoned until April. She mentioned that she and Commissioner Rogers had attended a
180 Task force meeting on school safety and keeping kids safe. She reminded everyone
181 about early voting through Friday, March 2nd and Election Day on March 6th.

182
183 It was mentioned that the next Commission Meeting will be moved from Tuesday March
184 13th to Monday, March 12th.

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188 **XV. DEPARTMENT REPORTS**

189 None

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191
192 **XVI. ADJOURNMENT**

193
194 Moved by Mayor Pro-Tem Sipe, SECONDED by Mayor Burbridge to adjourn the
195 meeting at 7:25 p.m.

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202 _____
Mayor, Sally Burbridge

203 ATTEST:

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205 _____
206 Karla Sayler, City Clerk

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208
209 MINUTES PREPARED BY:

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211 _____
212 Sherlynn Morgan, Administrative Assistant

Staff Summary Report

MEETING DATE: March 12, 2018
AGENDA ITEM: XII. CONSENT (C)
AGENDA TITLE: NM ALSTD Grant Agreements A16A5060

ACTION REQUESTED BY: Senior/Community Center, Finance Department
ACTION REQUESTED: Approval
SUMMARY BY: Kathy Lamb

PROJECT DESCRIPTION / FACTS

- The New Mexico Laws of 2016 included legislative funding through the sale of general obligations bonds to the New Mexico Aging and Long-Term Services Department (NMALSTD) for various improvements to senior centers throughout the state including the Aztec Senior Center.
- Agreement A16A5060 is specific to meals equipment purchase in the amount of \$7,600. Funding must be expended in full by June 30, 2021. There is no required match on the funding. Any costs for equipment which exceed the grant funding will be the responsibility of the City.

PROCUREMENT / PURCHASING (if applicable)

- After specifications are developed for each of items to be purchased, the Purchasing Office will seek quotes for the purchase of equipment in compliance with NMSA 1978 Procurement Code, City of Aztec Purchasing Policy and Procedures and NMALSTD Grant Agreements.

FISCAL INPUT / FINANCE DEPARTMENT (if applicable)

- The FY18 Adopted Annual Budget includes this funding and equipment/service purchases.

SUPPORT DOCUMENTS: NMALSTD Agreements A16A5060

DEPARTMENT'S RECOMMENDED MOTION: Move to Approve NMALSTD Agreements A16A5060

**STATE OF NEW MEXICO
AGING AND LONG-TERM SERVICES DEPARTMENT
FUND 89200 CAPITAL APPROPRIATION PROJECT**

THIS AGREEMENT is made and entered into as of this ____ day of _____, 20__, by and between the Aging and Long-Term Services Department, P.O. Box 27118, Santa Fe, NM 87502-7118, hereinafter called the "Department" or abbreviation such as "ALTSD", and City of Aztec, 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 2016, Chp. 82, Section 10, Subsection A, Paragraph 60, 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, State Agency on Aging (28-4-1 to 28-4-9 NMSA 1978: successor agency, Aging and Long-Term Services Department (9-23-1 to 9-23-12 NMSA 1978) may enter into grants and contracts as appropriated by law.

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:

A16A5060 \$7,600 APPROPRIATION REVERSION DATE: 30-JUN-2021

Laws of 2016, Chp. 82, Section 10, Subsection A, Paragraph 60, seven thousand six hundred dollars (\$7,600) to purchase and install meals equipment at the Aztec senior community center in Aztec in San Juan county.

The Grantee's total reimbursements shall not exceed the appropriation amount seven thousand six hundred dollars, (\$7,600), (the "Appropriation Amount") minus the allocation for Art in Public Places (\$0)¹, if applicable, which equals seven thousand six hundred dollars (\$7,600), (the "Adjusted Appropriation Amount").

¹ 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.

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." Exhibit 4 sets forth additional or more stringent requirements and conditions, which are incorporated by this reference as if set forth fully herein. If Attachment A imposes more stringent requirements than any requirement set forth in this Agreement, the more stringent requirements of Exhibit 4 shall prevail, in the event of irreconcilable conflict. 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 Reimburse² 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 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 Grantee or Fiscal Agent for Grantee, the sale, lease, license, or operating agreement:
 - a. must be approved by the applicable oversight entity or Fiscal Agent for Grantee (if any) in accordance with law; or
 - b. if no oversight entity or Fiscal Agent for Grantee is required to approve of the transaction, the Department must approve of the transaction as complying with law.

² "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.

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 2.
 - 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 Aztec
Name: Sally Burbridge
Title: Mayor
Address: 201 W Chaco St., Aztec, NM 87410
Email: sbrubridge@aztecnm.gov
Telephone: 505-947-4143

Information will be updated based on result of Commission organizational meeting on March 12, 2018.

Grantee: City of Aztec
Name: Kathy Lamb
Title: Finance Director
Address: 201 W Chaco St., Aztec, NM 87410
Email: klamb@aztecnm.gov
Telephone: 505-334-7653

Department: Aging and Long-Term Services Department
Name: Rebecca Martinez
Title: Capital Projects Bureau Chief
Address: P.O. Box 27118, Santa Fe, NM 87502-7118
Email: rebeccas.martinez@state.nm.us
Telephone: 505-476-4678

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, 2021 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 Monthly 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 1. 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, see Exhibit 3, 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) Immediately as they are received by the Grantee but at a minimum twenty (20) 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, and 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 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 Department 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 Aztec may immediately terminate this Agreement by giving Contractor written notice of such termination. The City of Aztec’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 Aztec or the Aging and Long-Term Services Department or the State of New Mexico in the event of immediate or Early Termination of this Agreement by the City of Aztec or the Department”.

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 Aging and Long-Term Services Department’s Grant Agreement. Should the Aging and Long-Term Services Department early terminate the grant agreement, the City of Aztec 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 Aztec’s 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.

[THIS SPACE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date of execution by the Department.

GRANTEE

APPROVED AS TO FORM:

Signature of Official with Authority to Bind Grantee

Larry T. Thrower, City Attorney

By: _____
(Type or Print Name)

ATTEST:

Its: Mayor
(Type or Print Title)

Karla Saylor, City Clerk

March 12, 2018
Date

AGING AND LONG-TERM SERVICES DEPARTMENT

By: _____
ALTSD Cabinet Secretary

Date: _____

By: _____
ALTSD Legal Counsel—Certifying Legal Sufficiency

Date: _____

By: _____
ALTSD Chief Financial Officer

Date: _____

**EXHIBIT 2
STATE OF NEW MEXICO
CAPITAL GRANT PROJECT
NOTICE OF OBLIGATION TO REIMBURSE GRANTEE**

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 _____ 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: _____

**EXHIBIT 3
ALTSD CAPITAL OUTLAY
SPECIAL GRANT CONDITIONS**

No special conditions are required for this grant.

**EXHIBIT 4
 ALTSD CAPITAL OUTLAY
 PROJECT DESCRIPTION
 SCOPE OF WORK (SOW)**

Laws of 2016, Chp. 82, Section 10, Subsection A, Paragraph 60, seven thousand six hundred dollars (\$7,600) to purchase and install meals equipment at the Aztec senior community center in Aztec in San Juan county.

1. **Name of Grantee/ Fiscal Agent:** City of Aztec
2. **Project Title:** A16A5060
3. **Grant Agreement Number:** Aztec Senior Community Center Meals Equip
4. **Background Narrative:** The Senior Program requested capital outlay funding required to purchase and install new meals equipment – a hot and cold steam table. The program provides congregate meals, site delivered meals, and home delivered meals. The program operates five (5) days a week. Funding of this new equipment will alleviate hardships on the staff and increase productivity, stream line food processing, and enhance the quality of meals provided.
5. **Work Plan:** The project will begin when a fully executed Grant Agreement is received. These steps will take place: conduct procurement; award a NTP to contractor, obtain a Notice of Obligation from ALTSD; purchase and install equipment; request reimbursement from ALTSD with the proper paperwork; close-out the Grant Agreement.
6. **Budget Detail:**

Project Cost Activities	Other Funds	State Funds
Meals Equipment – purchase and install		\$7,600
Totals		\$7,600

7. **Performance Measures:** The program staff will continue to routinely measure the pre-cooked and post-cooked food temperatures, track the amount of time spent on preparing and cooking food, and log the number of meals served and delivered. The program staff will also conduct regular, routine inspections and maintenance of the meals equipment, and keep the service/maintenance information logged in order to have the equipment function properly for 10 years.
8. **Results Expected:** The purchase and installation of new meals equipment will help to ensure the continued safety and nutritional value of the hot meals provided on a daily basis to the senior citizens.
9. **Time Frame/ Milestones:** Upon full execution of the Grant Agreement the following tasks will commence to meet the time frame/milestones.

RFP/quotes secured	Month 1
Bid closing	Month 2
Bid award to vendor	Month 3
Meals equipment – purchase and install	Months 4-5
Submit <u>Exhibit 1 – Monthly / Final Report Form & Request for Payment</u> according to contractual requirements as set forth in Articles VIII & IX of the Grant Agreement	Months 1-6

10. Responsible Staff (include Project Manager and Fiscal Contact):

Name: Cindy Iacovetto
 Title: Senior Community Center Director
 Address: 201 W. Chaco, Aztec, NM 87410
 Email: ciacovetto@aztecNM.gov
 Phone: 505-334-2881
 Name: Kathy Lamb
 Title: Finance Director
 Email: klamb@aztecmm.gov
 Phone: 505-334-7653

NOTICE: The Grant Application, if approved for funding by the Aging and Long Term Services Department (ALTSD) and any attachments to the Grant Application are incorporated by reference into the scope of work. In the event of a conflict between any of the documents that are part of the Agreement, the ALTSD Cabinet Secretary, at the sole discretion of ALTSD, shall resolve that conflict.

Staff Summary Report

MEETING DATE: March 12, 2018
AGENDA ITEM: XII. CONSENT AGENDA (D)
AGENDA TITLE: Resolution 2018-1076 Surplus

ACTION REQUESTED BY: Library
ACTION REQUESTED: Approval of Resolution 2018-1076
SUMMARY BY: Kathy Lamb

PROJECT DESCRIPTION / FACTS

- The Library, during the normal course of operations, reviews circulation of all materials. Materials which are not circulating or are out of date are pulled from the shelves and become surplus material. These items would have been purchased with city or state library funds or donated to the library. Materials pulled include a large collection of adult and youth books, several DVDs and music CDs.
- Approved library surplus items will be disposed of in a variety of ways to best serve the library and the community. Materials which may have use to Good Sam's, local schools, and/or veteran's programs will be donated. Materials which may have public interest will be packaged and available for sale at the library. Other materials may be packaged and sent to book outlets at no cost to the city. The Public Surplus website has not resulted in interest for library materials, although it will continue to be utilized as well.
- If the items are not sold they will be donated or disposed of according to NM Statute Section 3-54-2 and Procurement Statute 13-6-1. Disposition of obsolete, worn-out or unusable tangible personal property.

FISCAL INPUT / FINANCE DEPARTMENT

- Revenues from auction to be applied to General Fund / Joint Utility Fund

SUPPORT DOCUMENTS: Resolution 2018-1076
Surplus List

DEPARTMENT'S RECOMMENDED MOTION: Move to Approve Resolution 2018-1076 Declaring Certain Municipal Property Not Essential For Municipal Purpose and Directing It Be Sold or Disposed.

CITY OF AZTEC RESOLUTION 2018-1076

A RESOLUTION DECLARING CERTAIN MUNICIPAL PROPERTY NOT ESSENTIAL FOR MUNICIPAL PURPOSE AND DIRECTING IT BE SOLD, OR IF THE PROPERTY HAS NO VALUE, DONATE THE PROPERTY TO ANY ORGANIZATION DESCRIBED IN SECTION 501(c)3 OF THE INTERNAL REVENUE CODE OF 1986 OR DISPOSED.

- WHEREAS,** Sections 3-54-2 and 13-6-1 of NMSA, 1978 Compilation authorizes municipalities to sell personal property which is not essential for a municipal purpose or if the property has no value, donate the property to any organization described in Section 501(c)3 of the Internal Revenue Code of 1986; and
- WHEREAS,** the City of Aztec owns certain personal property which is obsolete and/or surplus and no longer needed or useful to the City; and
- WHEREAS,** the Governing Body wishes to declare this property not essential for a municipal purpose so that it can be sold or donated according to statute.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY of the City of Aztec, New Mexico that the personal property described on the attached list which is owned by the City is surplus and not essential for a municipal purpose.

PASSED, APPROVED AND SIGNED this 12th day of March 2018.

MAYOR

ATTEST:

CITY CLERK KARLA SAYLER

**CITY OF AZTEC
SURPLUS LIST
RESOLUTION 2018-1076
MARCH 12, 2018**

Big Nate: game on	
Harry Potter and the Order of the Phoenix	J.K. Rowling
Daniel's duck	Clyde Robert Bulla
Superdog : the heart of a hero	Caralyn Buehner
Snowmen at Christmas	Caralyn Buehner
Snowmen all year	Caralyn Buehner
A perfect Father's Day	Eve Bunting
In the haunted house	Eve Bunting
Fly away home	Eve Bunting
What makes a shadow?	Clyde Robert Bulla
Rabbit's party	Eve Bunting
Scary, scary Halloween	Eve Bunting
Smoky night Eve Bunting	Eve Bunting
Train to Somewhere	Eve Bunting
The Valentine bears	Eve Bunting
Critter Crew with Melody Lou : alphabet songs	Christine Burnett
How many feet? How many tails? : a book of math riddles	Marilyn Burns
First steps : letters, numbers, colors, opposites	John Birmingham
Mike Mulligan and his steam shovel	Virginia Lee Burton
Busy farm : first 100 words	
The birthday surprise	Felicity Brooks
Goodnight moon	Clement Hurd
The runaway bunny	Margaret Wise Brown
Toad	Ruth Brown
Tea time with Sophia Grace and Rosie	
Bad Kitty	
A Bad Kitty Christmas	
Beginning letters	Karen Bryant-Mole
Sorting	Karen Bryant-Mole
Rhyming words	Karen Bryant-Mole
Counting	Karen Bryant-Mole
Ending letters	Karen Bryant-Mole
Mortimer plays I-spy	Karen Bryant-Mole
Dump truck duck	
Santa's short suit shrunk and other Christmas tongue twisters	Nola Buck
Sid and Sam	Nola Buck
My brother, Ant	Betsy Byars
The story of wanton desire	Eydi Caines-Floyd
The elves and the shoemaker	John Cech
Blue-ribbon Henry	Mary Calhoun
Cross-country cat Mary Calhoun	Mary Calhoun
Henry the sailor cat Mary Calhoun	Mary Calhoun
High-wire Henry Mary Calhoun	Mary Calhoun
Hot-air Henry Mary Calhoun	Mary Calhoun
The frog principal	Stephanie Calmenson
One red shoe (the other's blue!)	Stephanie Calmenson
Let's draw a frog with ovals = Vamos a dibujar una rana usando *ovalos	Kathy Kutzt Campbell
Let's draw a fish with triangles	Kathy Kutzt Campbell
Coral reef = Arrecife de coral Susan Canizares,	Mary Reid
Mrs. McTats and her houseful of cats	Alyssa Satin Capucilli
Happy birthday, Biscuit!	Alyssa Satin Capucilli
Patrick's dinosaurs	Carol Carrick
Harald and the giant knight	Donald Carrick
All about Arthur (an absolutely absurd ape)	
Does a kangaroo have a mother, too?	Eric Carle
Draw me a star	Eric Carle
Have you seen my cat?	Eric Carle
A house for Hermit Crab	Eric Carle
Opposites	
Slowly, slowly, slowly," said the sloth	Eric Carle
The tiny seed	Eric Carle

**CITY OF AZTEC
SURPLUS LIST
RESOLUTION 2018-1076
MARCH 12, 2018**

Have you seen my cat?	Eric Carle
A house for Hermit Crab	Eric Carle
Opposites	
Slowly, slowly, slowly," said the sloth	Eric Carle
The tiny seed	Eric Carle
How to lose all your friends	Nancy Carlson
How do you say it today, Jesse Bear?	Nancy White Carlstrom
How does the wind walk?	Nancy White Carlstrom
The lost Christmas star	Theodus C. Carroll
Minnie and Moo and the Thanksgiving tree	Denys Cazet
Never spit on your shoes	Denys Cazet
Jan Karon presents Cynthia Coppersmith's Violet comes to stay	Melanie Cecka
The best teacher in the world	Bernice Chardiet and Grace Maccarone
Why I will never ever ever have enough time to read this book	Remy Charlip
Christmas stories and poems	Lisa McCue
The amazing animal alphabet book	Roger and Mariko Chouinard
Here comes Kate	Kay Choroa
America : a patriotic primer	Lynne Cheney
Five little monkeys with nothing to do	Eileen Christelow
The Christmas robin	David Hately
The Christmas story	Stephanie Ryder
The mystery of the message from the sky	Mary Blount Christian
The mystery of the fallen tree	Mary Blount Christian
Who am I?	Nancy Christensen
The mystery of the polluted stream	Mary Blount Christian
The mystery of the missing red wagon	Mary Blount Christian
The mystery of the Midnight Raider	Mary Blount Christian
Weekly Reader Children's Book Club presents The chocolate rabbit	Maria Claret
Because your daddy loves you	Andrew Clements
Frankenstein's dog	
Two can share, too Janelle Cherrington	Andy Yerkes
The Tub people / by Pam Conrad	Richard Egjielski
Chanticleer and the fox	Geoffrey Chaucer
Dorrie and the haunted schoolhouse	Patricia Coombs
The mouse family	Andrew Clements
The real hole	Beverly Cleary
Two dog biscuits	Beverly Cleary
Cuddle up, goodnight	
Counting on Frank	Rod Clement
The long wait	Annie Cobb
Walt Disney's Peter Pan	Eugene Bradley Coco
Let it fall	Maryann Cocca-Leffler
The Josefina story quilt	Eleanor Coerr
Eric VanNoodle	Arlen Cohn
Bronco dogs	Caron Lee Cohen
Pigeon, pigeon	Caron Lee Cohen
The real-skin rubber monster mask	Miriam Cohen
See you tomorrow, Charles	Miriam Cohen
When will I read?	Miriam Cohen
Bee my valentine!"	Miriam Cohen
Don't eat too much turkey!	Miriam Cohen
There was an old lady who swallowed a chick	
This plane	Paul Collicutt
Granny Greenteeth and the noise in the night	Kenn and Joanne Compton
Call me Ahnighito	Pam Conrad
First graders from Mars. Episode 1 : Horus' horrible day	Shana Corey
Leaves	William Corderoy
Money troubles	Bill Cosby
Super-fine Valentine	Bill Cosby
Chores	Stephen Cosgrove
Kind and gentle ladies	Stephen Cosgrove

**CITY OF AZTEC
SURPLUS LIST
RESOLUTION 2018-1076
MARCH 12, 2018**

Leaves	William Corderoy
Money troubles	Bill Cosby
Super-fine Valentine	Bill Cosby
Chores	Stephen Cosgrove
Kind and gentle ladies	Stephen Cosgrove
Nosey birds	Stephen Cosgrove
Don't push the button	
Messy Marcy MacIntyre	Debie Cotton
The blue ribbon day	Katie Couric
The lapsnatcher	Bruce Coville
My grandfather's house	Bruce Coville
Pablo and Pimienta	Ruth M. Covault
Hallelujah Handel	Douglas Cowling
Gracias, the Thanksgiving turkey	Joy Cowley
The wishing of Bidly Malone	Joy Cowley
Buffalo Bill and the Pony Express	Eleanor Coerr
Jamie O'Rourke and the pooka	Tomie dePaola
The legend of the bluebonnet : an old tale of Texas	Tomie dePaola
The legend of the Indian paintbrush	Tomie dePaola
Pascual and the kitchen angels	Tomie dePaola
Little Grunt and the big egg : a prehistoric fairytale	Tomie dePaola
Sing, Pierrot, sing : a picture book in mime	Tomie dePaola
Strega Nona meets her match	Tomie dePaola
Watch out for the chicken feet in your soup. Story and pictures	Tomie dePaola
Jingle bells, homework smells	Diane de Groat
Four friends at Christmas	Tomie dePaola
Last one in is a rotten egg!	Diane de Groat
Liar, liar, pants on fire	Diane de Groat
We gather together-- now please get lost!	Diane de Groat
Roses are pink, your feet really stink	Diane de Groat
All aboard! : a traveling alphabet	Chris L. Demarest
The baby sister	Tomie dePaola
Bill and Pete go down the Nile	Tomie dePaola
" Charlie needs a cloak. "	Tomie dePaola
Country angel Christmas	Tomie dePaola
Librarian's night before Christmas	David Davis
Chuckie visits the eye doctor	Luke David
Sight for sore eyes	Luke David
Football and falling leaves : a fall counting book	Rebecca Fjelland Davis
Snowflakes and ice skates : a winter counting book	Rebecca Fjelland Davis
When William went away /	Sally J.K. Davies
Carl's birthday	Alexandra Day
Frank and Ernest	Alexandra Day
Special deliveries	Alexandra Day
Pete the Cat: Valentine's Day is cool	
Happy Birthday to you, you belong in a zoo	Diane deGroat
Big egg	Molly Coxie
Louella and the yellow balloon	Molly Coxie
A crack in the track: a Thomas the Tank Engine story	
The winter bear	Ruth Craft
Ten black dots	Donald Crews
Truck	Donald Crews
Click, clack, boo: a tricky treat	
Click, clack, quackity-quack : an alphabetical adventure	Doreen Cronin
Diary of a fly	Doreen Cronin
Diary of a spider	Doreen Cronin
Giggle, giggle, quack	Doreen Cronin
Thump, quack, moo : a whacky adventure	Doreen Cronin
Bedtime at the swamp	Kristyn Crow
Dozens of cousins	
I already know I love you	Billy Crystal

**CITY OF AZTEC
SURPLUS LIST
RESOLUTION 2018-1076
MARCH 12, 2018**

Giggle, giggle, quack	Doreen Cronin
Thump, quack, moo : a whacky adventure	Doreen Cronin
Bedtime at the swamp	Kristyn Crow
Dozens of cousins	
I already know I love you	Billy Crystal
Curious George's dream	Margret and H.A. Rey
Curious George feeds the animals	Vipah Interactive
Curious George and the pizza	Margret and H.A. Rey
Curious George and the puppies	Margret and H.A. Rey
Curious George at the fire station	Margret and H.A. Rey
Curious George goes to a chocolate factory	Margret and H.A. Rey
Aunt Eater's mystery vacation	Doug Cushman
Monster trucks	
Duck for President	Doreen Cronin
Collection of storytime favorites	
Spider sandwiches	
Pets ABC : an alphabet book	Michael Dahl
The clown said no	Mischa Damjan
First day jitters	Julie Danneberg
Bone button borscht	Aubrey Davis
You are my I love you	Maryann K. Cusimano
Hooray for Reading Day!	Margery Cuyler
Fox in socks	
Howl for Halloween	
Go! go! go! stop!	
Mark of the thief	
Ripley's believe it or not!: special edition 2016	
Tornadoes	Seymour Simon
Illusionology: the secret science of magic	
The empty city	
Taking the fifth	J.A. Jance
The two princesses of Bamarre	Gail Carson Levine
Doom with a view!	Sean McKeever
Harry Potter: the character vault	
Star Wars in 100 scenes	
Ultimate Star Wars	
Space shuttles : a new era?	Nigel Hawkes
Sweet niblets : Rockin' food for any meal	
Ghost hunt. Vol. 1 / manga by Shiho Inada ;	Fuyumi Ono
The gentlemen's alliance cross	Arina Tanemura
Kung fu klutz & karate cool	Mark Seidenberg
Super Earth encyclopedia	
Matilda	Roald Dahl
City of heavenly fire	
Elphame's choice	P.C. Cast
Harry Potter and the deathly hallows	J.K. Rowling
Country brides	Debbie Macomber
Taken	
The Hawaiian quilt	
T is for trespass	Sue Grafton
Wormwood	Susan Wittig Albert
The first rule : a Joe Pike novel	Robert Crais

Staff Summary Report

MEETING DATE: March 12, 2018
AGENDA ITEM: XV. BUSINESS (A)
AGENDA TITLE: NMED CWSRF 09 Wastewater Treatment Plant Loan Refinance

ACTION REQUESTED BY: Finance Department
ACTION REQUESTED: Approval of NMED CWSRF 09 Refinance Loan Documents
SUMMARY BY: Kathy Lamb

PROJECT DESCRIPTION / FACTS

Acronyms:

CWSRF: **C**lean **W**ater **S**tate **R**evolving **F**und
EPA: **U**S **E**nvironmental **P**rotection **A**gency
NMED: **N**ew **M**exico **E**nvironment **D**epartment
USDA RUS: **U**S **D**epartment of **A**griculture **R**ural **U**tility **S**ervice

Improvements to the Wastewater Treatment Plant were completed in 2010 for a total cost of \$10,584,513. The project was financed through a combination of loans, grants and city funds. Loans and grants were through NMED, EPA and USDA RUS. The USDA RUS loan was paid in full in 2012 with joint utility cash reserves.

NMED has advised the City has an opportunity to refinance loan CWSRF 09 which is specific to the Wastewater Treatment Plant improvements completed in 2010.

Through a combination of rule changes between EPA and NMED, the City qualifies for a 1.2% interest rate for the remaining term of the loan (12 years).

The refinance fee is 2% of the balance of the loan proceeds (\$3,333,765.81) or \$64,675.32 and is payable within two weeks of the execution of the amended loan agreements. The loan retains the ability to prepay at any time during the remaining term of the loan.

ORIGINAL TERMS:

Wastewater Plant Loan Proceeds: \$5,000,000
Wastewater Plant Loan Balance: \$3,233,765.81 (as of 1/2018, 12 years remaining on loan)

Current Loan Term: 20 years
Interest Rate: 2%
Interest Over Life of Loan @ 2%: \$1,115,671.81
Annual Payment: \$ 305,783.59 (first payment June 2010)
Debt Service Reserve: \$ 305,783.59 (equal to one annual payment)
R&R Reserve: \$ 250,000.00 (5% of loan proceeds)
Prepayment Restrictions: None

Interest Paid on Loan to date: \$ 680,034.54

NEW TERMS:

Loan Term: 12 years (years remaining on loan)
Interest Rate: 1.2%
Interest on Refinanced Loan: \$ 257,747.95 (\$3,233,765.81 @ 1.2% for 12 years)
Total Interest (Original & Refinance) \$ 937,782.49 (8 years @ 2% + 12 years @ 1.2%)
Interest Savings Result of Refinance: \$ 113,214.01 (net of refinancing fee)
Refinance Annual Payment: \$ 290,959.48
Prepayment Restrictions: None

Interest Rate on Investments NM Local Government Investment Pool (as of 3/7/18): 1.424%
Interest Rate on Investments (One Year CD Citizens Bank as of 1/24/18): 1.35%

SUPPORT DOCUMENTS: Amended Loan Agreement
Amended Promissory Note

DEPARTMENT'S RECOMMENDED MOTION: Move to Approve NMED CWSRF 09
Amended Loan Documents

**REFINANCE LOAN AGREEMENT
NEW MEXICO ENVIRONMENT DEPARTMENT
CONSTRUCTION PROGRAMS BUREAU
CLEAN WATER STATE REVOLVING LOAN FUND –also known as-
WASTEWATER FACILITY CONSTRUCTION LOAN PROGRAM**

Refinance Loan Number CWSRF 009 R

I. This Refinance Loan Agreement (Agreement) is made and entered into this _____ day of _____, 20__ by and between the New Mexico Environment Department (NMED) of the State of New Mexico and the City of Aztec, (Borrower). The Borrower has enacted Ordinance No. 2008-353 (Ordinance), approved on October 1, 2008 authorizing indebtedness. This agreement serves to refinance Loan # CWSRF 009 by lowering the interest charges assessed on the remaining principal balance and levies a 2% refinance fee on the remaining principal balance. All terms and conditions of the Final Loan Agreement and Final Promissory Note signed on November 21, 2008 remain binding.

Listed below are agency contacts.

Borrower's Name: City of Aztec 201 W. Chaco Aztec, NM 87410	NMED: New Mexico Environment Department Clean Water State Revolving Fund Program P.O. Box 5469 Santa Fe, NM 87502-5469
Borrower's Contact Information: Kathy Lamb Finance Director Ph: (505) 334-7653 Cell: (505) 330-1321 klamb@aztecnm.gov	NMED Contact Information: David Bishop, Project Manager David.bishop@state.nm.us (505) 222.9567 CWSRF Program Administration NMENV-cpbinfo@state.nm.us (505) 827-2806 Gail Craven, Loan Manager gail.craven@state.nm.us (505) 827-9691

Incorporated as part of the Loan Agreement as though fully set forth is the following:

- Borrower's Loan Ordinance
- Refinance Promissory Note
- Refinance Loan Amortization Schedule

II. AMOUNT:

This Loan Agreement will refinance and will repay in full Loan No. CWSRF 009, which has a principal balance of \$3,233,765.81 at a new interest rate of 1.2% upon the terms and conditions set forth in this Agreement and the Refinance Promissory Note.

III. DISCLOSURE STATEMENT

ANNUAL PERCENTAGE RATE <i>The cost of your credit as a yearly rate</i>	AMOUNT FINANCED <i>The amount of credit provided</i>	INTEREST CHARGES <i>The dollar amount the credit will cost</i>	ADMINISTRATIVE FEE PAYMENTS <i>The total administrative fee dollar amount</i>	TOTAL OF PAYMENTS <i>The amount you will have paid after all payments have been made as scheduled</i>
1.2%	\$3,233,765.81	\$159,374.15	\$98,373.81	\$3,491,513.77

B. REPAYMENT SCHEDULE

Principal, interest and administrative fee payments shall be made as follows.

NUMBER OF PAYMENTS	AMOUNT OF PAYMENT	WHEN PAYMENTS ARE DUE
12 equal annual installments	\$290,959.48	Beginning June 30, 2018 and each June 30, thereafter through 2029

C. REFINANCE COST:

A one-time 2% refinancing fee of \$64,675.32 is assessed on the outstanding principal balance of \$3,233,765.81. This payment is due at the time the Borrower submits a signed copy of this agreement.

The parties have executed the Agreement on the dates set forth by their respective names.

Issued and administered by:

New Mexico Environment Department
Wastewater Facility Construction Loan Program
Clean Water State Revolving Loan Fund

BY: _____
Signature of duly authorized Loan Official

Title: _____

DATE: _____

By executing this Agreement, the undersigned represents that he/she is duly authorized to act on behalf of the Borrower.

BY: _____
Signature of duly authorized Borrower Official
(City, Village, Town of _____)

Title

DATE: _____

Attest:

Signature of witness

Title

DATE: _____

REFINANCE PROMISSORY NOTE

**TO NEW MEXICO ENVIRONMENT DEPARTMENT
CLEAN WATER STATE REVOLVING LOAN FUND -also known as-
WASTEWATER FACILITY CONSTRUCTION LOAN PROGRAM**

DATE _____

This Note replaces the Final Promissory Note dated November 21, 2008.

FOR VALUE RECEIVED, the City of Aztec (Borrower) promises to pay to the order of the New Mexico Environment Department in connection with the State’s Clean Water State Revolving Fund Loan Program (NMED) at NMED’s office located at:

New Mexico Environment Department
Construction Programs Bureau
P.O. Box 5469
1190 S. St. Francis Drive
Santa Fe, New Mexico 87502-5469

or at such other place as NMED may hereafter designate in writing, the principal amount of three million two hundred thirty-three thousand seven hundred sixty-five dollars and eighty-two cents \$3,233,765.81 pursuant to the terms of the Refinance Loan Agreement, Loan Number CWSRF 009R between NMED and the Borrower dated _____, 2018 plus annual accrued interest of 1.2% until paid.

REPAYMENT RATE AND SCHEDULE

This Promissory Note bears annual interest at 1.2% and shall be amortized over a twelve-year term, with equal annual installments of two hundred ninety thousand nine hundred fifty-nine dollars and forty eight cents (\$290,959.48) due June 30, 2018 and each June 30th thereafter through June 30, 2029.

PLEDGED REVENUES

The Borrower is giving a security interest by dedicating Net Revenues. Net Revenues are defined in the Borrowers Ordinance Number 2008-353.

ASSIGNMENT

No assignment by NMED or the right to receive payments under this Note shall affect the Borrower’s obligations or rights under this Note other than to make payments under this Note at the address designated by NMED to the Borrower in writing.

DEBT SERVICE COVERAGE REQUIREMENT

The Borrower must maintain a debt service coverage ratio of no less than 1.2 or the Borrower must maintain an identifiable debt reserve account.

COLLECTION AND DEFAULT

Collection and Default terms set forth in the Final Promissory Note remain binding.

PREPAYMENT

The Borrower may prepay all or any part of the principal on this Note without penalty. Refunds and extra payments, as defined in the regulations of NMED shall, after payment of interest due, be applied to the reduction of principal. After any prepayment of principal, the Borrower shall continue to pay the amounts listed in the Agreement and Final Promissory Note until the entire principal and accrued interest are paid in full.

AUTHORITY

This Note is authorized by the Wastewater Facility Construction Loan Act, NMSA 1978, § 74-6A-1 et seq., as amended, the New Mexico Water Quality Control Commission Regulations, 20.7.5 NMAC, and the New Mexico Environment Department Regulations, 20.7.6 – 20.7.7 NMAC and the Ordinance of the Borrower.

This Note shall not constitute indebtedness or debt within the meaning of any constitutional, charter or statutory provision, or limitation, nor shall this Note be considered or held to be a general obligation of the Borrower. The obligations of the Borrower under the Agreement and Note are payable and collectible solely out of the Net Revenues as defined in the Borrower's Ordinance Number 2008-353 and NMED or any other holders of the Agreement or Note may not look to any general or municipal fund for the payment of the principal or interest on the Agreement or Note.

Remainder of page intentionally blank

IN WITNESS, WHEREOF, the Borrower has caused this Note to be duly executed and effective as of the date listed below by the Borrower.

(Borrower's authorized signature)

(Borrower's printed name)

(Title)

(Date)

State of _____

County of _____

Signed or attested before me on _____ by _____,
(date) (name of Borrower)

(Seal, if any)

(Signature of notary officer)

My commission expires: _____