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P.O. BOX 706 • DEMING, NEW MEXICO 88031
POPULATION 14,000

CDBG PUBLIC HEARING

March 12, 2012

6:00 P.M.

AGENDA

Call to Order / Pledge of Allegiance

1. Open Public Hearing for 2013 Community Development and Planning Applications
 - A. CDBG Progress Report
 - B. Input – General Community
 - C. Close CDBG Hearing

CITY COUNCIL MEETING

March 12, 2012

4:00 P.M. CITY COUNCIL WORKSHOP

6:00 P.M. CITY COUNCIL MEETING

AGENDA

Call to Order / Pledge of Allegiance

1. Reorganization Meeting
 - A. Motion to Open Reorganization Meeting
 - B. Oath of Office: Newly Elected Officials
 - C. Election of Mayor Pro Tem
 - D. Appointment of City Administration Temporary and Part Time Employees
 - E. Appointments to Commissions and Committees
 - F. Motion to Close Reorganization Meeting
2. Consent Agenda
 - A. Minutes – City Council Workshop and Regular Meeting 2/13/12
 - B. Minutes – Special City Council Meeting 2/9/12
 - C. Minutes – Planning and Zoning Commission 2/27/12
 - a. Rezoning Request Jaime Munoz
 - D. Minutes – Airport Commission 2/14/12
 - E. Minutes – Marshall Memorial Library 2/28/12
3. Public Forum

4. Southwestern Regional Housing and Community Development Corporation Demolition and Removal of Blighted Structure
5. Proclamation to Declare the Month of April 2012 as Fair Housing Month.
6. Proclamation to Declare May 3, 2012 a National Day of Prayer
7. Ratification of Sick Leave Sell Back
8. Approval of Performance Assessment System and Administrative Regulation
9. Resolution to Adopt the State Plan for Deferred Compensation
10. Resolution Approving Application and any Subsequent Agreement between the City of Deming and the New Mexico Department of Transportation to Provide Municipal Arterial Program (MAP) Funds for Street and Drainage Improvements of Various City Streets.
11. Resolution to Adopt the City of Deming Water, Sewer and Natural Gas GIS Database Mapping Plan
12. Resolution to Apply for Funding from the Bureau of Reclamation System Optimization Review Grants Identify Energy Efficiency Improvements for the City's Water Wells
13. Resolution Authorizing the Execution and Delivery of a Water Project Fund Loan/Grant Agreement
14. Bids
 - a. Bid #12-06 Effluent Sports Complex Irrigation System
 - b. Bid #12-08 Construction Contract for Wastewater Treatment Plant Liner Replacement Project for the City of Deming
15. Closed Session to discuss the sale / lease / or option to purchase of industrial real estate, the disposal of rural property with improvements and the sale of farm property pursuant to NMSA 1978, Sections 10-15-1 (H) (8), of the Open Meetings Act.
16. Adjourn Meeting

The next regular City Council Workshop and Meeting are scheduled for 4:00 & 6:00 p.m., April 9, 2012.

COMMUNITY DEVELOPMENT BLOCK GRANT PUBLIC HEARING MINUTES

March 12, 2012

Council Present:

Andres Z. Silva, Mayor
Linda Enis, Councilor
David Sanchez, Councilor

William Shattuck, Mayor Pro Tem
Joe "Butter" Milo, Councilor

Staff Present:

Richard McInturff, City Administrator
Lawrence Brookey, Public Works Director
Michael Carillo, Police Chief
Wes Hooper, Special Projects Coord.
Jim Foy, City Attorney

Aaron Sera, Assistant City Administrator
Edgar Davalos, Fire Chief
Richard Kocab, Assistant Treasurer
Ricardo Molina, Gas Dept. Foreman
Frank Van Gundy, Municipal Judge

Recording Secretary: Lila Jasso, Administrative Secretary

The Community Development Block Grant (CDBG) Public Hearing was called to order at 6:00 p.m.

1. Open Public Hearing for 2013 Community Development and Planning Applications:

A. CDBG Progress Report: Assistant City Administrator Aaron Sera reported the City of Deming has previously applied for and received a total of 26 Community Development Block Grants that were used for local community development needs. The City was awarded a 2011 CDBG grant to address drainage problems on Pear Street which is scheduled for completion before the next funding cycle. The City has also been awarded a planning grant for GIS mapping of the City utilities which will be closed in April of 2012. The City is seeking additional public input to help determine an infrastructure project for the next funding cycle as well as a planning project. Staff anticipates conducting three additional meetings in which input from the public will be solicited.

B. Input—General Community: Mayor Silva entertained a motion to open the floor for public input for future CDBG projects.

Mrs. Karen Lively of 811 S. Iron Street recommended Council consider more rehabilitation housing and weatherization funds for the lower income citizens as well as upgrades to Pear Street.

Councilor Milo thanked Mayor Silva and the Council for the current drainage project and recognized that the area Mrs. Lively referenced was in need of more blight removal.

C. Close CDBG Hearing: With no further comments the public hearing was adjourned by Mayor Silva at 6:10 p.m.

The next Community Development Block Grant Public Hearing is scheduled 10:00 a.m. on March 20, 2012.

CITY COUNCIL WORKSHOP MINUTES March 12, 2012

Council Present:

**Andres Z. Silva, Mayor
Linda Enis, Councilor**

William Shattuck, Mayor Pro Tem

Council Absent:

David Sanchez, Councilor

Joe "Butter" Milo, Councilor

Staff Present:

**Richard McInturff, City Administrator
Lawrence Broockey, Public Works Director
Michael Carrillo, Police Chief**

**Aaron Sera, Assistant City Administrator
Edgar Davalos, Fire Chief
Rick Kocab, Assistant Treasurer**

Recording Secretary: Lila Jasso, Administrative Secretary

Mayor Silva and the City Council of Deming, New Mexico held a Council Workshop on March 12, 2012 at 4:00 p.m. to discuss items on the agenda of the City Council Regular Meeting scheduled for 6:00 p.m. the same day.

Mayor Silva discussed the CDBG Public Hearing which would be held at the opening of the Council meeting. The Public Hearing would then be closed and the Regular Council Meeting would be called to order.

Councilor Enis noted a correction to the Planning & Zoning Minutes of 2/27/12 on page one paragraph one in the second sentence, which one of the owners' name is misspelled as "Roby" and that it should read "Ruby".

Mr. McInturff commented on the Planning & Zoning Minutes of 2/27/12 on page two third paragraph second sentence, which states "Commissioner O'Connell made an amendment to the motion that the adjoining two lots also be re-zoned." Mr. McInturff commented that the motion was not proper. Council should not accept this motion as recommended, because the additional lots need their owners to request the zoning change. A Quasi-Judicial hearing will need to be conducted for approval of the initial lot requested at a later Council meeting.

Mayor Pro Tem Shattuck noted that a correction to the City Council Minutes of 2/13/12, page two item five in the third sentence, which reads "Mr. McInturff is recommended..." should read "Mr. McInturff recommended..." Mr. McInturff stated that for future agendas, if a meeting does not have a quorum, it should be stated so on the Consent Agenda, as he was referring to the 3/12/12 Agenda for the Tourism and Development Committee meeting for February.

Mr. Sera stated that on item four of the 3/12/12 Agenda, Southwestern Regional Housing Community Development Corporation Demolition and Removal of Blighted Structure, there would be a discussion about the correct waiver form to be used and that it would be best if a representative from SRHCDC would be available at the meeting to answer any questions. Councilor Enis offered to contact Richard Hayes from SRHCDC and ask him to attend the meeting.

Mayor Silva stated that he will read two proclamations for the record, one regarding adopting the month of April as Fair Housing Month and one proclaiming May 3, 2012 as National Day of Prayer.

Mayor Silva stated that Mr. McInturff will present the memo regarding the Sick Leave Sell Back Policy to Council for approval of the limit change effective June 2012.

Mr. McInturff will also present the Administrative Regulation Governing Employee Evaluations and the Performance Assessment System to Council for approval.

Mr. McInturff will also be presenting and seeking approval from Council on the Resolution to Adopt the State Plan for Deferred Compensation.

Mr. Sera will be presenting the Resolution Approving the Application and any Subsequent Agreement between the City and the NMDOT to provide Arterial Funding Program (MAP) funds for streets and drainage improvements of various streets.

Mr. Brookey will present the Resolution to Adopt the City Water, Sewer and Natural Gas GIS Database Mapping Plan which was funded by the CDBG.

Mr. Brookey will also present the Resolution to Apply for Funding from the Bureau of Reclamation System Optimization Review Grants to Identify Energy Efficiency Improvements for the City's Water Wells.

Also presented by Mr. Brookey is the Water Project Fund Loan/Grant Agreement Resolution for the closing of the loan on April 27, 2012.

Mr. Brookey will present the results and recommendations for bid #12-06 and bid #12-08.

Mr. McInturff mentioned there would be a Closed Session during the meeting.

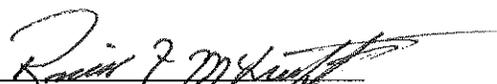
With no further business to conduct the workshop was adjourned at 4:42 p.m.

CITY OF DEMING, NEW MEXICO



Andres Z. Silva, Mayor

ATTEST:



Richard F. McInturff, Deputy Clerk

CITY COUNCIL MEETING MINUTES

March 12, 2012

Council Present:

Andres Z. Silva, Mayor
Linda Enis, Councilor
David Sanchez, Councilor

William Shattuck, Mayor Pro Tem
Joe "Butter" Milo, Councilor

Staff Present:

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Jim Foy, City Attorney

Aaron Sera, Assistant City Administrator
Edgar Davalos, Fire Chief
Richard Kocab, Assistant Treasurer
Ricardo Molina, Gas Dept. Foreman
Frank Van Gundy, Municipal Judge

Recording Secretary: Lila Jasso, Administrative Secretary

Mayor Silva led the pledge of allegiance and called the meeting to order at 6:10 p.m..

1. Reorganization Meeting:

- A. Motion to Open Reorganization Meeting:** Mayor Silva asked for a motion to open the reorganization meeting. Councilor Milo motioned to open the reorganization meeting. The motion was seconded by Councilor Sanchez and carried unanimously.
- B. Oath of Office: Newly Elected Officials:** Mayor Silva administered the Oaths of Office to Municipal Judge Frank M. Van Gundy, Councilor District 3 Joe F. Milo and Councilor District 2 Linda L. Enis, the newly re-elected officials of the 2012 Regular Municipal Election, and presented them with their Certificate of Election for their respective offices. (Attached)
- C. Election of Mayor Pro Tem:** Councilor Milo nominated Councilor Enis for the office of Mayor Pro Tem. The nomination was seconded by Mayor Pro Tem Shattuck and carried unanimously.
- D. Appointment of City Administration, Temporary and Part-Time Employees:** Mayor Silva recommended approval of the Appointments of City Administration, Temporary and Part Time Employees as presented. (Attached)

Mayor Pro Tem Enis motioned to accept the recommendations by Mayor Silva as presented. The motion was seconded by Councilor Shattuck and carried unanimously.

- E. **Appointments to Commissions and Committees:** Mayor Silva recommended approval of the Appointments to City Commissions and Committees as presented. (Attached)

Councilor Milo motioned to accept the recommendation of Mayor Silva for Appointments to Commissions and Committees as presented. The motion was seconded by Councilor Sanchez and carried unanimously.

- F. **Motion to Close Reorganization Meeting:** Mayor Pro Tem Enis motioned to close the reorganization meeting. The motion was seconded by Councilor Sanchez and carried unanimously.

2. Consent Agenda:

- A. Minutes – City Council Workshop and Regular Meeting 2/13/12
- B. Minutes – Special City Council Meeting 2/9/12
- C. Minutes – Planning and Zoning Commission 2/27/12
 - a. Rezoning Request Jaime Munoz
- D. Minutes – Airport Commission 2/14/12
- E. Minutes – Marshall Memorial Library 2/28/12

Mayor Silva asked for a motion to approve the items of the Consent Agenda. Mayor Pro Tem Enis motioned to approve the items of the Consent Agenda excluding the Regular City Council Minutes of 2/13/12 and the Planning and Zoning Commission Meeting Minutes of 2/27/12. The motion was seconded by Councilor Sanchez and carried unanimously.

Mayor Pro Tem Enis motion to approve the Regular City Council Minutes of 2/13/12 with the correction of a typographical error on page 2, the second to last sentence which states “Mr. McInturff is recommended...” should read “Mr. McInturff recommended...” and the Planning and Zoning Minutes of 2/27/12 with a correction of a typographical error in which a name was spelled “Roby” when it should be “Ruby”. She also referred to an amendment to a motion by “Commissioner O’Connell regarding the rezoning of two additional lots.” Mayor Pro Tem Enis motioned to only approve the lot initially requested; Lot 1, Block 6, of the Pleyte Plat to go before a Quasi-Judicial Hearing for final approval. The motion was seconded by Councilor Sanchez and carried unanimously.

- 3. Public Forum:** A public comment period was entertained.

- 4. Southwestern Regional Housing and Community Development Corporation (SRHCDC) Demolition and Removal of Blighted Structure:** Mr. Sera presented the letter from SRHCDC in which the housing corporation has determined the residence at 2109 S. Diamond Avenue is eligible to receive home rehabilitation assistance. Due to the deteriorated condition of the existing structure, auditors of the program have determined it is more cost effective to replace the house with an energy star rated manufactured home. SRHCDC does not have funding for demolition of structures and has requested the City assist with the demolition of the existing structure. The City is recommending Council’s

approval of the project, contingent upon having a waiver of liability agreement in place prior to the demolition.

Mayor Silva called Mr. Richard Hayes, SRHCDC Rehab Manager, to address some concerns about the grantee. Mr. Hayes stated that the grantee, along with assistance from Border Area Mental Health case workers, had been working with SRHCDC for the past four years to become eligible for the rehab program. Mr. Hayes reassured Mayor Silva that the grantee has full understanding of what will transpire.

Mr. Sera presented the Hold Harmless Agreement that was attached to the letter of request from SRHCDC. He stated that the agreement did not fully meet the requirements of the City and the City staff and SRHCDC staff would be working together on a mutually agreed upon document to suffice both parties.

Mayor Pro Tem Enis motioned to approve the request and authorize City staff to apply the appropriate waiver/agreement to meet the requirements of both parties. The motion was seconded by Councilor Milo and carried unanimously.

5. **Proclamation to Declare the Month of April as Fair Housing Month:** Mayor Silva read the Proclamation into record declaring the month of April 2012 as Fair Housing Month.
6. **Proclamation to Declare May 3, 2012 as National Day of Prayer:** Mayor Silva read the Proclamation into record declaring May 3rd, 2102 as National Day of Prayer.
7. **Ratification of Sick Leave Sell Back:** City Administrator Richard McInturff presented the Sick Leave Sell Back Policy and requested that Council ratify the approval of the sick leave sell back to a limit of \$28,000 (plus employer contributions) in June of 2012. Mr. McInturff stated the Sell Back Policy is advantageous to the City for various reasons and was instituted originally to reduce sick leave abuse. Councilor Sanchez motioned to ratify the Sick Leave Sell Back Policy as presented by staff. The motion was seconded by Councilor Shattuck and carried unanimously.
8. **Approval of Performance Assessment System and Administrative Regulation:** Mr. McInturff presented the Administrative Regulation DM 12-31 an Administrative Regulation Governing Employee Evaluations and the Performance Assessment System. He read the regulation for the record and explained that the new Performance Assessment System makes performance the key determining factor for merit increases. He stated the evaluation is the first step in a two-step process and management will bring forward, at a later date, recommendations regarding the pay plan.

Mr. Sera stated that the new assessment plan was developed in alignment with the City's mission statement, priorities, and shared values.

Councilor Sanchez asked if the Fire and Police Departments are included in this new program. Mr. Sera stated that both departments were included in the new program.

Councilor Sanchez asked if the respective union labor representatives had approved the program. Mr. McInturff explained negotiations between the two unions regarding the pay plan would take place within the next month. At this point, the evaluation form is the only change from what was used in the past. An amended pay plan will be brought back to Council for approval.

Councilor Shattuck motioned to approve the Performance and Assessment System and Administrative Regulation. Mayor Pro Tem Enis seconded the motion which carried unanimously.

- 9. Resolution to Adopt the State Plan for Deferred Compensation:** Mr. McInturff asked Ms. Linda Miller, Retirement Specialists from Nationwide Retirement Solutions to discuss the Deferred Compensation Plan through PERA. Ms. Miller explained the State plan and the current percentages of participation in various cities she represents. She stated that a representative from Nationwide is always available at the PERA meetings to answer any questions.

Mr. McInturff recommended approval of the Resolution to Adopt the State Plan for Deferred Compensation. Mayor Pro Tem Enis motioned to approve the Resolution to Adopt the State Plan for Deferred Compensation. The motion was seconded by Councilor Milo and carried unanimously.

10. Resolution Approving Application and any Subsequent Agreement between the City of Deming and the New Mexico Department of Transportation to Provide Municipal Arterial Program (MAP) Funds for Street and Drainage Improvements of Various City Streets: Mr. Sera read the Resolution for the record and explained the project is for improvements to the Florida Street Drainage Project which includes the area from Highway 11 to Country Club Road. The funding will be used to assist with the repairs to the north side of Florida Street where drainage has continued to be an issue. Councilor Shattuck motioned to approve the Resolution Approving Application and any Subsequent Agreement between the City of Deming and the New Mexico Department of Transportation to Provide Municipal Arterial Program (MAP) Funds for Street and Drainage Improvements of Various City Streets. The motion was seconded by Councilor Sanchez and carried unanimously.

11. Resolution to Adopt the City of Deming Water, Sewer, and Natural Gas GIS Database Mapping Plan: Public Works Director Lawrence Brookey read the Resolution for the record and discussed the procedure used to comprise the maps. Mr. Brookey stated the City would be responsible for the maintenance of the database going forward. Councilor Milo motioned to adopt the Resolution to Adopt the City of Deming Water, Sewer and Natural Gas GIS Database as presented. The motion was seconded by Councilor Sanchez and carried unanimously.

Mr. McInturff added that the water and sewer portion of this GIS Database Mapping Plan were funded by the CDBG funds and the gas portion was funded by the City.

12. Resolution to Apply for Funding from the Bureau of Reclamation System Optimization Review Grants to Identify Energy Efficiency Improvements for the City's Water Wells: Mr. Brookey presented and read into record the resolution to apply for funding from the Bureau of Reclamation System Optimization Review Grants Program to identify energy efficiency improvements for the City's water wells.

Councilor Sanchez asked if this grant would provide for solar updates to the current wells. Mr. Brookey stated that this grant did not allow for solar updates; however it does look at updates to make the current system more efficient. The study will provide the information necessary to get good recommendations and move forward to a more efficient system. Councilor Sanchez motioned to approve Resolution to Apply for Funding from the Bureau of Reclamation System Optimization Review Grants to Identify Energy Efficiency Improvements for the City's Water Wells. Mayor Pro Tem Enis seconded the motion and the motion carried unanimously.

13. Resolution Authorizing the Execution and Delivery of a Water Project Fund Loan/Grant Agreement: Mr. McInturff summarized the Resolution in which the grant to be applied for, through New Mexico Water Trust Board, will be used to extend the water distribution system to the Clary Farm. The grant is in the amount of \$310,000. Mr. McInturff referred to page six of the Resolution which indicates the loan amount of \$34,545 in which the City will provide matching funds. Mr. McInturff explained with that funding in place, this Resolution will allow the City to go to closing on the loan and grant in the amount of \$345,455 on April 27, 2012. The City's full intent is to accept the loan proceeds and repay the loan upon completion of the project. Mayor Pro Tem Enis motioned to approve the Resolution Authorizing the Execution and Delivery of a Water Project Fund Loan/Grant Agreement. The motion was seconded by Councilor Milo and carried unanimously.

14. Bids:

a. Bid #12-06 Effluent Sports Complex Irrigation System: Mr. Brookey presented the bid packet which included a bid certification and recommendation letter provided by Engineer's Inc. The lowest total bid was received from Highland Enterprises, Inc. from Las Cruces in the amount of \$186,753.00 plus gross receipts tax (7.5%) for a total bid of \$200,759.47. The bid is in compliance with contract requirements and Highland Enterprises, Inc. is qualified to perform the work. Mr. Brookey recommended approval of the low bid from Highland Enterprises, Inc. for \$186,753.00 w/o GRT to total \$200,759.47.

Councilor Milo asked if this project would provide treated effluent water supply across the street to the sports complex area. Mr. Brookey replied that it would be used for that purpose and the effluent water would be treated further with sand filters and a UV light bank for further disinfection.

Councilor Shattuck motioned to approve Bid #12-06 Effluent Sports Complex Irrigation System in the amount of \$186,753.00 plus gross receipts tax to Highland Enterprises, Inc. The motion was seconded by Councilor Milo and carried unanimously.

b. Bid #12-08 Construction Contract for Wastewater Treatment Plant Liner Replacement Project for the City of Deming: Mr. Brookey presented the recommendation regarding the award of construction contract for the wastewater treatment plant liner replacement project for the City of Deming from the engineer of record, Souder, Miller & Associates. Mr. Brookey recommended approval of the low bid received from SmithCo Construction, Inc. with a base bid amount of \$1,972,800.00, an Additive Alternative C amount of \$261,000.00, an Additive Alternative D amount of \$292,000.00 and a Deduction No. 1 in the amount of \$457,525.00. The project will consist of replacing the liners in ponds 2, 4, 5, and 6; and also provide concrete banks around ponds 5 & 6.

Councilor Milo asked if the City had received any legislative funding for this project. Mr. McInturff stated that the City received \$350,000 from this year's legislature, the City borrowed \$1.8 million and the City will contribute approximately \$350,000 of reserves from the Sewer Plant Fund. Councilor Milo asked what the life expectancy of the liners was. Mr. Brookey replied 30 years.

Councilor Shattuck motioned to approve the bid as presented including the Additive Alternative C and D including Deduction No. 1, for a total contract amount of \$2,068,275.00 plus gross receipts tax. Councilor Sanchez seconded the motion and the motion carried unanimously.

15. Closed Session to discuss the sale / lease / or option to purchase of industrial real estate, the disposal of rural property with improvements and the sale of farm property pursuant to NMSA 1978, Sections 10-15-1 (H) (8), of the Open Meetings Act: Mayor Silva excused himself from the closed session and the remainder of the meeting. Mayor Pro Tem Linda Enis chaired the remainder of the meeting.

Councilor Sanchez motioned to go into closed session to discuss the sale / lease / or option to purchase of industrial real estate, the disposal of rural property with improvements and the sale of farm property pursuant to NMSA 1978, Sections 10-15-1 (H) (8), of the Open Meetings Act. The motion was seconded by Mayor Pro Tem Enis was approved unanimously by a roll call vote.

ROLL CALL VOTE:

Councilor Shattuck	Aye
Councilor Milo	Aye
Councilor Sanchez	Aye
Mayor Pro Tem Enis	Aye

Open Session: Mayor Pro Tem Enis entertained a motion to go into open session. Councilor Milo motioned to go into open session. The motion was seconded by Councilor Sanchez and was approved unanimously by a roll call vote.

ROLL CALL VOTE:

Councilor Shattuck	Aye
Councilor Milo	Aye
Councilor Sanchez	Aye
Mayor Pro Tem Enis	Aye

Mayor Pro Tem Enis stated for the record that no motions were made during closed session and only those items that were stated in the motion to close were discussed.

Councilor Shattuck motioned to authorize staff to enter into negotiations with Solar Reserve for a lease option on the City owned land in Section 17 of the Peru Industrial Park and instructed staff to bring the negotiated lease option back to Council for final approval. The motion was seconded by Councilor Sanchez and carried unanimously.

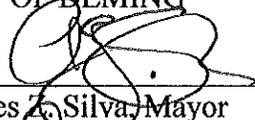
Councilor Shattuck motioned to authorize staff to proceed with the requirements of Section 3-54-1 NMSA, 1978 concerning the Waterloo Farm, West Woods Farm and Penn Farm and to get appraisals and terms of sales and instructed staff to bring this back to Council for final approval. The motion was seconded by Councilor Sanchez and carried unanimously.

Councilor Shattuck made a motion to authorize staff to draft an agreement with Deming Public Schools regarding the donation of the north half of the City property formerly known as the Deming Polo Grounds and instructed staff to bring the draft to Council for final approval. Councilor Sanchez seconded the motion, motion carried.

16. Adjourn Meeting: With no further business to conduct, Councilor Milo motioned to adjourn the meeting at 7:46 p.m. The motion was seconded by Councilor Sanchez and carried unanimously.

The next Regular City Council Workshop and Meeting are scheduled for 4:00 & 6:00 p.m., April 9, 2012.

CITY OF DEMING

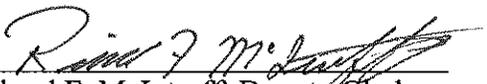


Andres Z. Silva, Mayor



Linda L. Enis, Mayor Pro Tem

ATTEST:



Richard F. McInturff, Deputy Clerk



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P.O. BOX 706 • DEMING, NEW MEXICO 88031
POPULATION 14,000

CERTIFICATE OF CANVASS

I, Richard F. McInturff, the duly appointed, qualified and acting Administrator/Treasurer/Deputy Clerk of the City of Deming, in the County of Luna and State of New Mexico, hereby certify that on Tuesday, the 6th day of March, 2012, being within three (3) days after the Municipal Election held in said City of Deming on the 6th day of March, 2012, for the purpose of electing two Council members for terms of four (4) years; and one (1) Municipal Judge for the term of four (4) years, I opened the returns of said election and called to my assistance Andres Z. Silva, Mayor of City of Deming, and that in the presence of said Mayor, I canvassed said returns and made out an abstract of the votes cast at said election as follows:

TOTAL NUMBER OF VOTERS - ALL DISTRICTS	<u>6671</u>
TOTAL NUMBER OF VALID VOTES CAST FOR MUNICIPAL JUDGE	<u>477</u>
Votes cast for Edward Khanbabian	<u>99</u>
Votes cast for Timothy E. Flynn	<u>84</u>
Votes cast for Ernest E. Lively, Jr.	<u>57</u>
Votes cast for Frank M. Van Gundy	<u>214</u>
Votes cast for Harold G. May	<u>23</u>
TOTAL NUMBER OF VOTERS IN DISTRICT NO. 2	<u>1,334</u>
TOTAL NUMBER OF VALID VOTES CAST FOR COUNCIL DISTRICT NO. 2	<u>95</u>
Votes cast for Linda L. Enis	<u>64</u>
Votes cast for Larry L. Caldwell	<u>31</u>
TOTAL NUMBER OF VOTERS IN DISTRICT NO. 3	<u>1,610</u>
TOTAL NUMBER OF VALID VOTES CAST FOR COUNCIL DISTRICT NO. 4	<u>56</u>
Votes cast for Joe F. Milo	<u>56</u>

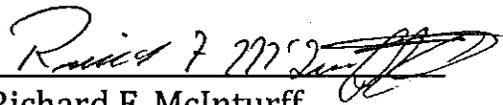
I FURTHER CERTIFY:

(1) That Frank M. Van Gundy received the highest number of votes cast at said election for the Office of Municipal Judge of said City of Deming, and is, therefore declared to be duly elected Municipal Judge of said City of Deming for a term of four (4) years commencing on the 12th day of March 2012.

(2) That Linda L. Enis received the highest number of votes cast at said election for City Council member for District No. 2 for a four (4) year term, and is, therefore declared to be duly elected member of the City Council of the City of Deming, New Mexico, for a term of four (4) years commencing on the 12th day of March 2012.

(3) That Joe F. Milo received the highest number of votes cast at said election for City Council member for District No. 3 for a four (4) year term, and is, therefore declared to be duly elected member of the City Council of the City of Deming, New Mexico, for a term of four (4) years commencing on the 12th day of March 2012.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of the City of Deming, New Mexico this 8th day of March 2012.


Richard F. McInturff
Deputy City Clerk

WITNESS AND CORRECT ATTEST:

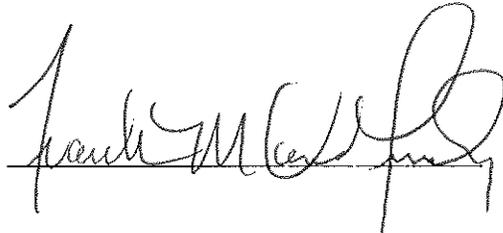


Andres Z. Silva
Mayor

OATH OF OFFICE

STATE OF NEW MEXICO }
 } ss
COUNTY OF LUNA }

I, Frank M. Van Gundy, having been duly elected and commissioned Municipal Judge of the City of Deming in the County of Luna and State of New Mexico, do solemnly swear that I will support the Constitution of the United States of America and the Constitution and Laws of the State of New Mexico, and that I will truly and faithfully discharge the duties of said office to the best of my ability and in strict accordance with the law. SO HELP ME GOD.



Subscribed and sworn to before me this 12th day of March 2012.



Notary Public



My Commission Expires: 11/21/15

Filed in my office this 12th day of March 2012.



Richard F. McInturff, City Administrator/Deputy Clerk, Deming, New Mexico

OATH OF OFFICE

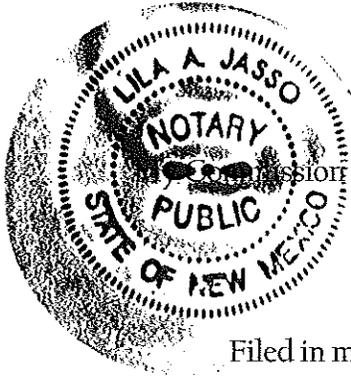
STATE OF NEW MEXICO }
 } SS
COUNTY OF LUNA }

I, Joe F. Milo, having been duly elected and commissioned Council Member District 3 of the City of Deming in the County of Luna and State of New Mexico, do solemnly swear that I will support the Constitution of the United States of America and the Constitution and Laws of the State of New Mexico, and that I will truly and faithfully discharge the duties of said office to the best of my ability and in strict accordance with the law. SO HELP ME GOD.

Joe F. Milo

Subscribed and sworn to before me this 12th day of March 2012.

Lila A. Jasso
Notary Public



Commission Expires: 11/21/15

Filed in my office this 12th day of March 2012.

Richard F. McInturff
Richard F. McInturff, City Administrator/Deputy Clerk, Deming, New Mexico

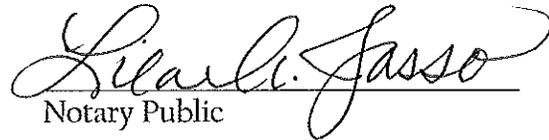
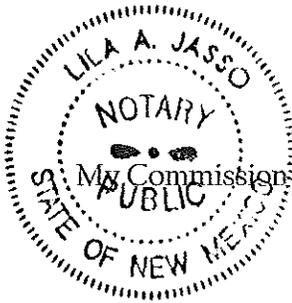
OATH OF OFFICE

STATE OF NEW MEXICO }
 } ss
COUNTY OF LUNA }

I, Linda L. Enis, having been duly elected and commissioned Council Member District 2 of the City of Deming in the County of Luna and State of New Mexico, do solemnly swear that I will support the Constitution of the United States of America and the Constitution and Laws of the State of New Mexico, and that I will truly and faithfully discharge the duties of said office to the best of my ability and in strict accordance with the law. SO HELP ME GOD.



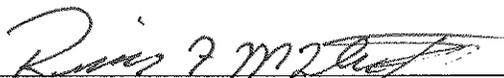
Subscribed and sworn to before me this 12th day of March 2012.



Notary Public

My Commission Expires: 11/21/15

Filed in my office this 12th day of March 2012.



Richard F. McInturff, City Administrator/Deputy Clerk, Deming, New Mexico



Date: March 12, 2012
To: Council Members
From: Mayor, Andres Z. Silva
Re: Appointments for Reorganization Meeting

Please accept my recommendation to appoint the following persons as listed:

Election of Mayor Pro Tem

Nomination and Election

Administration:

Richard F. McInturff as the City Administrator/Deputy Clerk/Treasurer
Aaron Sera as the Assistant City Administrator
Lawrence Brookey as the Public Works Director
Edgar Davalos as the Fire Chief
Michael Carrillo as the Chief of Police
Richard Kocab as the Assistant Treasurer

Administrative Assistants: *

Berenda McWright – Assistant Deputy Clerk
Lila Jasso – Assistant Deputy Clerk
Vicki Engle – Assistant Deputy Clerk

Custodian of Public Records

Richard F. McInturff, Deputy Clerk
Berenda McWright, Assistant Deputy Clerk

Part-time employees:

Randy Blankenship as Information Technology Officer
Christina Sotelo as Part Time Clerk
Edward Marini as Library Page
Bernardina Ayon as Part Time Clerk
Deryk Perales as Intern
Katie Poudrier as Intern

Volunteer Firefighters:

Eric Holguin
Benny Jasso
Edwardo Martinez
Tommy McClendon
Robert Sweetser

*The Assistant Deputy Clerk position is an additional appointed title. The employees retain their primary competitive/merit position and are not appointed status officials.



Date: March 12, 2012
To: Council Members
From: Mayor, Andres Z. Silva
Re: Appointments for Reorganization Meeting

Please accept my recommendation to appoint the following persons to serve on the commissions, boards, or committees as listed:

Commission/Board/Committee Appointments

Marshall Memorial Library Board: 7 Member Board

To serve a term of three (3) years

Appointee	Expiration of Term
Julia Russell	March 2014
Jennifer D. Shafer	March 2013
Barbara Walsh	March 2014
Carol A. Krum	March 2015 – Letter of reappointment
Virginia Pool	March 2011 - County appointed
Dana Irby	March 2012 - Deming Public Schools appointed
Claudia Jefferies	March 2012 - Higher Education appointed

Airport Commission: 6 Member Board

To serve a term of four (4) years

Appointee	Expiration of Term
Louis Jenkins	March 2014
Dennis Strout	March 2014
Loy Kempthorne	March 2016 – Letter of reappointment
Wayne Burkhardt	March 2016 – Letter of reappointment
Vacant	March 2013
Tom Awbrey	March 2013

Planning and Zoning Commission: 7 Member Board

To serve a term of two (2) years

Appointee	Expiration of Term
Manny Orquiz	March 2013
Frank Christensen	March 2014 – Letter of appointment
Michael L. Martin	March 2013

Dr. James O'Connell	March 2013
Steve Black	March 2014 – Letter of reappointment
Dennis Armijo	March 2014 – Letter of appointment
Jim Olson	March 2014 – Letter of reappointment

Parks Commission: 7 Member Board

To serve a term of three (3) years

Appointee	Expiration of Term
Daniel Viramontes	March 2013
Bob Orosco	March 2013
Dan Sanchez	March 2013
Laura Pottorff	March 2014
Sonia Arteché	March 2015 – Letter of reappointment
Tony Sayre	March 2014
Marisol Perez	March 2015 – Letter of reappointment

Historical Landmark Commission: 7 Member Board

To serve a term of four (4) years

Appointee	Expiration of Term
John Strand	March 2014
William Bayne Anderson	March 2014
Frank Chiprich	March 2016 – Letter of reappointment
Jim Reedy	March 2014
Vacant	March 2016
Miguel Briseno	March 2016 – Letter of reappointment
Larry Schultz	March 2014

Tourist Development Committee: 5 Member Board

To serve a term of two (2) years

Appointee	Expiration of Term
James M. Olson	March 2013
Leo Watts	March 2014 – Letter of reappointment
Deloyd Haynes	March 2014 – Letter of reappointment
Debra Nelson	March 2014 – Letter of reappointment
Janell Faudoa	March 2013

Extra Territorial Commission: 9 Member Board

To serve a term of three (3) years

Appointee	Expiration of Term
Patsy Leyba	March 2013
Michael Martin	March 2014
Manny Orquiz	March 2015– Letter of reappointment
Richard Little	March 2014
Virginia Marcak	March 2012 – County appointed

Danny King	March 2014 – County appointed
James Paulk	March 2013 – County appointed
Valerie (Zumwalt) Tyler	March 2014 – County appointed
Vacant	March 2012 – Member at large

Extra Territorial Authority: 5 Member Board

To serve a term of two (2) years

Appointee	Expiration of Term
William C. Shattuck	March 2014
Andres Z. Silva	March 2014
Javier Diaz	March 2013 – County appointed
Jay Spivey	March 2015 – County appointed
Joe “Oleo” Milo	March 2015 – County appointed

Finance Committee

Appointee	Expiration of Term
Richard F. McInturff	March 2014
Richard Kocab	March 2014
Laura Holguin	March 2014
Lloyd Valentine	March 2014
Andres Z. Silva	March 2014
William C. Shattuck	March 2014

Luna County Economic Development Corp

To serve a term of two (2) years

Appointee	Expiration of Term
Joe “Butter” Milo	March 2014
Richard F. McInturff	March 2014
Vacant	March 2014

Economic Development Committee

To serve a term of two (2) years

Appointee	Expiration of Term
Andres Z. Silva	March 2014
Linda Enis	March 2014
Aaron Sera	March 2014
Richard F. McInturff	March 2014
Lawrence Brookey	March 2014

Southwest Regional Transit District: To serve a term of four (4) years

Appointee	Expiration of Term
Andres Z. Silva	March 2014
Richard F. McInturff - Alternate	March 2014

Southwest Council of Governments:

To serve a term of two (2) years

Appointee	Expiration of Term
Aaron Sera	March 2014
Wesley Hooper - Alternate	March 2014

Gila/San Francisco Regional Water Planning Group

To serve a term of two (2) years

Appointee	Expiration of Term
Lawrence Brookey	March 2014
Richard F. McInturff, Alternate	March 2014

Southwest Workforce Development CEO Board

To serve a term of four (4) years

Appointee	Expiration of Term
Andres Z. Silva	March 2014

Local Workforce Development Board

Appointee	Expiration of Term
Appointed by SW Workforce Development CEO Board	

Spaceport America Community Advisory Committee

To serve a term of two (2) years

Appointee	Expiration of Term
Aaron Sera	March 2014
Wesley Hooper	March 2014

Southwest Regional Planning Organization (NMDOT)

To serve a term of two (2) years

Appointee	Expiration of Term
Aaron Sera	March 2014
Wesley Hooper	March 2014



ANORES Z. SILVA, MAYOR

RICHARD I MCINTURFF, ADMINISTRATOR

Phone (575) 546-8898 • Fax (575) 848-6442
EMAIL: demingi@cityofdeming.org • Website: www.cityofdeming.org
P.O. BOX 706 • DEMING, NEW MEXICO 88031
POPULATION 14,000

AGREEMENT WAIVER

AGREEMENT made this 14th day of March, 2012, between Calvin Relyea,
and the City of Deming, New Mexico, hereinafter City;

WITNESSETH:

WHEREAS, the City has Inspected and recommended the removal of vegetation and debris
for the betterment of the neighborhood; and,

WHEREAS, the parties have agreed that the City will not seek to impose a lien on the property of
2109 S. Diamond Ave. in consideration of the agreement hereinafter contained;

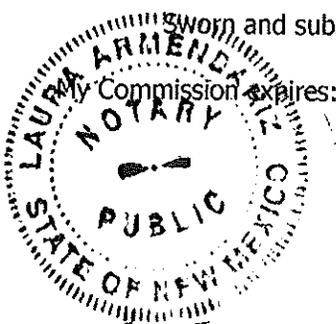
IT IS THEREFORE MUTUALLY AGREED:

in consideration on the part of the City not to impose a lien on the property described as:

*Lots Seventeen (17) and Eighteen (18), Block KH, HIGHSCHOOL ADDITION, in the City of Deming, Luna
County, New Mexico, as the same is shown and designated on Plat Slide No. 105, thereof filed for record in the
Office of the County Clerk of said county on July 31, 1915, Plat Records, Luna County, New Mexico.*

And that Calvin Relyea does hereby agree to release and discharge the City from any claim of any
kind whatsoever by reason of the removal by the City of the structures and debris located thereon
by the City, including any claim for the entry of the City on said property for that purpose, and
shall Indemnify and hold harmless the City from any loss in connection with said removal.

PROPERTY OWNER



sworn and subscribed before me this 13th day of March, 2012

My Commission Expires: 6/16/2012

Notary Public

PROCLAMATION

TO ADOPT THE MONTH OF APRIL AS FAIR HOUSING MONTH

WHEREAS, fair and equal housing is a right guaranteed to all Americans; and

WHEREAS, the principle of fair and equal housing is not only a national law and policy, but a fundamental human entitlement; and

WHEREAS, all citizens have the right to live where they choose within their financial means; and

WHEREAS, people must not be denied housing because of race, color, religion, sex, national origin, handicap or family status; and

WHEREAS, the City of Deming acknowledges the importance of assuring fair and equal treatment to all citizens as identified in the City's Fair Housing Policy (Ord. 11-1-4); and

WHEREAS, the City of Deming is assisting and cooperating with the Southwestern Regional Housing and Community Development Corporation.

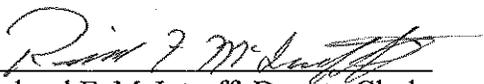
NOW, THEREFORE I, Andres Z. Silva, Mayor of the City of Deming, do hereby proclaim the month of April 2012 as

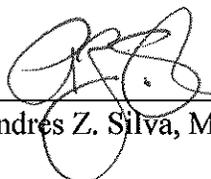
"Fair Housing Month"

IN WITNESS WHEREOF, I have hereunto set my hand and seal of the City of Deming to be affixed in the City of Deming, Luna County, New Mexico this 12th day of March 2012.



ATTEST:


Richard F. McInturff, Deputy Clerk



Andres Z. Silva, Mayor

PROCLAMATION
National Day of Prayer
May 3^d, 2012

WHEREAS: the National Day of Prayer is a tradition first proclaimed by the Continental congress in 1775; and

WHEREAS: In 1988, legislation was unanimously ratified by both Houses of Congress and signed by President Ronald Reagan stating that the National Day of Prayer was to be observed on the first Thursday of every May; and

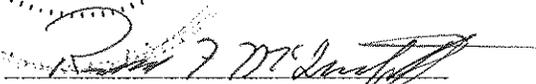
WHEREAS: It is fitting and proper to give thanks to the Lord by observing this day in Deming when all may acknowledge our blessings and express gratitude for them, while recognizing the need for strengthening religious and moral values in our state and nation:

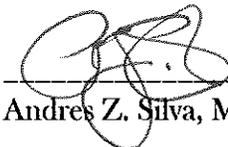
NOW, THEREFORE, the Mayor and City Council of the City of Deming, do hereby proclaim Thursday May 3rd, 2012 as:

"A DAY OF PRAYER"

Done this 12th, day of March, 2012 in the City of Deming, New Mexico.




Richard F. McInturff, Deputy Clerk

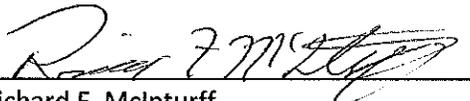

Andres Z. Silva, Mayor

DM - 12 - 28

**AN ADMINISTRATIVE REGULATION GOVERNING
EMPLOYEE EVALUATIONS AND THE
PERFORMANCE ASSESSMENT SYSTEM**

SECTION ONE: The City of Deming Performance Assessment System (Version 3/2012 and subsequent revisions) is hereby incorporated by reference in its entirety and shall be used from this date forward to evaluate the performance of all competitively classified and long term part-time employees.

Approved


Richard F. McInturff

3-9-12
Date

Atch.
Performance Assessment System

RESOLUTION NO. 12-12

**A RESOLUTION TO ADOPT THE STATE PLAN FOR
DEFERRED COMPENSATION**

WHEREAS, the State of New Mexico has enacted the Deferred Compensation Act (NMSA 1978 Section 10-7A-1 et seq.) which permits any local public employer to adopt the Deferred Compensation Plan as approved, pursuant to NMSA 1978 Section 10-7A-8 by the Public Employees Retirement Board, and

WHEREAS, the State of New Mexico, by the Public Employees Retirement Board has established and maintains the Deferred Compensation Plan ("Plan") for participation by state employees and by local public employees, and

WHEREAS, the City of Deming, New Mexico, (hereinafter referred to as the "Participating Employer") desires to adopt the Plan for participation by its employees;

WHEREAS, the Participating Employer has also determined that it wishes to encourage employee's savings for retirement by offering salary reduction contributions;

WHEREAS, the Participating Employer has reviewed the Plan;

By adopting the Plan, the City of Deming adopts the investments and services selected by the Public Employees Retirement Board.

Section 1. The Employer shall abide by the terms of the Plan, including amendments to the Plan made by the Public Employees Retirement Board, all investment, administrative, and other service agreements of the Plan, and all applicable provisions of the Internal Revenue Code and other applicable law.

Section 2. The Employer may terminate its participation in the Plan, if it takes the following actions:

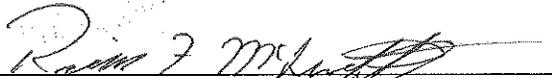
- (a) A resolution must be adopted terminating its participation in the Plan.
- (b) The resolution must be filed with the Deferred Compensation Manager and the Public Employees Retirement Board within fifteen (15) working days of approval by the governing body of the local public body.
- (c) The resolution must be filed not less than two years after the date the Employer's participation became effective.

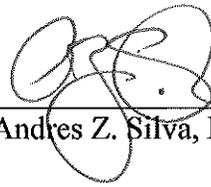
The City Administrator or Mayor has the authority to execute on behalf of the City of Deming documents to implement the Plan for the City of Deming and to take action to correctly maintain the Plan under this Resolution.

APPROVED by the governing body of the City of Deming this 12th day of March, 2012.



ATTEST:


Richard F. McInturff, Deputy Clerk


Andres Z. Silva, Mayor

RESOLUTION NO. 12-13

A RESOLUTION APPROVING APPLICATION AND ANY SUBSEQUENT AGREEMENT BETWEEN THE CITY OF DEMING AND THE NEW MEXICO DEPARTMENT OF TRANSPORTATION TO PROVIDE MUNICIPAL ARTERIAL PROGRAM (MAP) FUNDS FOR STREET AND DRAINAGE IMPROVEMENTS OF VARIOUS CITY STREETS

WHEREAS, the City of Deming is applying for Municipal Arterial Program (MAP) Funding from the New Mexico Department of Transportation for project development, design, construction, and construction services for street and drainage improvements along Florida Street; and

WHEREAS, the project is within the City of Deming's jurisdiction, necessary for the public good and convenience, and to serve the public of the City of Deming; and

WHEREAS, the New Mexico Department of Transportation is soliciting proposals for its FY 2012 / 2013 Local Government Program that requires at least a 25% local funding match; and

WHEREAS, the New Mexico Department of Transportation requires approval of an agreement for the City to obtain MAP Funds for this project.

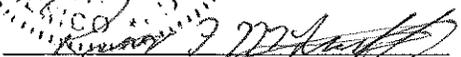
NOW THEREFORE, BE IT RESOLVED that the Governing Body of the City of Deming does hereby determine and resolve as follows:

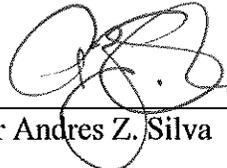
1. That the project application for MAP funding be prepared and submitted for the project development, design, construction, and construction services for street and drainage improvements along Florida Street.
2. That the City Administrator or the Assistant City Administrator is authorized to execute any subsequent agreement.
3. That staff is directed to take such other actions and execute other documents as may be necessary to implement this Resolution.

PASSED, ADOPTED, AND APPROVED THIS 12th day of March, 2012



Attest:


Richard F. McInurff, Deputy Clerk


Mayor Andres Z. Silva

CITY OF DEMING, NEW MEXICO
RESOLUTION NO 12-14

TO ADOPT THE CITY OF DEMING
WATER, SEWER AND NATURAL GAS GIS DATABASE MAPPING PLAN

WHEREAS, the City of Deming received from the New Mexico Department of Finance and Administration a Community Development Block Grant to develop a Water, Sewer and Natural Gas GIS Database Mapping Plan; and

WHEREAS, the City of Deming retained the services of Daniel B. Stephens and Associates, a consulting firm, to prepare the GIS mapping plan; and

WHEREAS, the City formed a task force comprised of Staff to work with the consultant in preparing the draft mapping plan; and

WHEREAS, the City held two public meetings during the project to gather public input about the development of the plan; and

WHEREAS, the City has received acceptable plan deliverables from Daniel B. Stephens with the final invoice.

NOW THEREFORE BE IT RESOLVED that the City of Deming City Council affirms this resolution documents that the City of Deming Water, Sewer and Natural Gas GIS Database Mapping Plan is complete and adopted by the City to improve efficiency of operations and benefit low and moderate income residents.

PASSED, APPROVED AND ADOPTED THIS 12th day of March 2012




Richard F. McInturff, Deputy Clerk


Andres Z. Silva, Mayor

CITY OF DEMING, NEW MEXICO
RESOLUTION NO 12-15

A RESOLUTION TO APPLY FOR FUNDING FROM THE BUREAU OF RECLAMATION SYSTEM OPTIMIZATION REVIEW GRANTS TO IDENTIFY ENERGY EFFICIENCY IMPROVEMENTS FOR THE CITY'S WATER WELLS

WHEREAS electrical power costs are the second highest expense incurred in delivering pumped groundwater to the City's domestic water users; and

WHEREAS electric motors presently in use to pump the groundwater are over 30 years old, new technology exists to lower energy consumption by using electric motors with increased efficiencies, soft start capabilities, variable speed drives and natural gas energy supplies, and

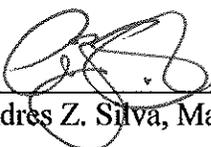
WHEREAS the all Funding Opportunity Announcement No.: R12SF32002 requirements can be met by the City of Deming to insure development of an System Optimization Review if funding is awarded; and

WHEREAS completion of a System Optimization Review will favor future grant applications for Water and Energy Efficiency Grants under the WaterSMART program for implementation of the Review recommendations.

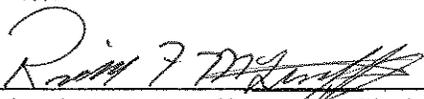
NOW THEREFORE BE IT RESOLVED that the City of Deming City Council affirms that a resolution be passed that documents the City's intent to apply for funding from the Bureau of Reclamation System Optimization Review Grant program to identify energy efficiency improvements for the City's water wells.

PASSED, APPROVED AND ADOPTED THIS 12th day of March 2012





Andres Z. Silva, Mayor



Richard F. McInturff, Deputy Clerk

CITY OF DEMING
RESOLUTION NO. 12-16

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A WATER PROJECT FUND LOAN/GRANT AGREEMENT BY AND BETWEEN THE NEW MEXICO WATER TRUST BOARD AND THE NEW MEXICO FINANCE AUTHORITY (THE "FINANCE AUTHORITY", AND COLLECTIVELY WITH THE WATER TRUST BOARD, THE "LENDERS/GRANTORS") AND THE CITY OF DEMING, LUNA COUNTY, NEW MEXICO (THE "BORROWER/GRANTEE"), IN THE AMOUNT OF THREE HUNDRED FORTY FIVE THOUSAND FOUR HUNDRED FIFTY-FIVE DOLLARS (\$345,455) EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF DESIGN AND CONSTRUCTION FOR EXPANSION OF THE WATER DISTRIBUTION SYSTEM, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR PAYMENT OF THE LOAN AMOUNT SOLELY FROM PLEDGED REVENUES; CERTIFYING THAT THE LOAN/GRANT AMOUNT, TOGETHER WITH OTHER FUNDS AVAILABLE TO THE BORROWER/GRANTEE, IS SUFFICIENT TO COMPLETE THE PROJECT; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN/GRANT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN/GRANT AGREEMENT.

Capitalized terms used in the following preambles have the same meaning as defined in this Resolution unless the context requires otherwise.

WHEREAS, the Borrower/Grantee is a legally and regularly created, established, organized and existing Municipality under the general laws of the State and more specifically, the Municipal Code, Sections 3-1-1, et seq., NMSA 1978, as amended and supplemented, and is a qualifying entity under the Act and is qualified for financial assistance as defined by the Board Rules; and

WHEREAS, the Governing Body has determined and hereby determines that the Project may be financed with amounts granted and loaned pursuant to the Loan/Grant Agreement, that the Loan/Grant Amount, together with other moneys available to the Borrower/Grantee, is sufficient to complete the Project, and that it is in the best interest of the Borrower/Grantee and the public it represents that the Loan/Grant Agreement be executed and delivered and that the funding of the Project take place by executing and delivering the Loan/Grant Agreement; and

WHEREAS, the Governing Body has determined that it may lawfully enter into the Loan/Grant Agreement, accept the Loan/Grant Amount and be bound to the obligations and by the restrictions thereunder; and

WHEREAS, the Loan/Grant Agreement shall not constitute a general obligation of the Borrower/Grantee, the WTB or the Finance Authority or a debt or pledge of the faith and credit of the Borrower/Grantee, the WTB, the Finance Authority or the State; and

WHEREAS, there have been presented to the Governing Body and there presently are on file with the Clerk this Resolution and the form of the Loan/Grant Agreement which is incorporated by reference and considered to be a part hereof; and

WHEREAS, the Governing Body hereby determines that (i) the Additional Funding Amount is now available to the Borrower/Grantee to complete the Project; or (ii) that the Governing Body will take such steps as are necessary to obtain the Additional Funding Amount within six (6) months after the Closing Date; and

WHEREAS, the Borrower/Grantee acknowledges that, in the event that it is unable to provide the Additional Funding Amount within six (6) months after the Closing Date, the Loan/Grant Agreement shall, at the option of the WTB and the Finance Authority, terminate and be of no further force or effect; and

WHEREAS, all required authorizations, consents and approvals in connection with (i) the use of the Loan/Grant Amount for the purposes described, and according to the restrictions set forth, in the Loan/Grant Agreement; (ii) the availability of other moneys necessary and sufficient, together with the Loan/Grant Amount, to complete the Project; and (iii) the authorization, execution and delivery of the Loan/Grant Agreement which are required to have been obtained by the date of this Resolution, have been obtained or are reasonably expected to be obtained.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF CITY OF DEMING, LUNA COUNTY, NEW MEXICO:

Section 1. Definitions. As used in this Resolution, the following terms shall, for all purposes, have the meanings herein specified, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined):

“Act” means the Water Project Finance Act, Sections 72-4A-1 through 72-4A-10, NMSA 1978, as amended and supplemented.

“Additional Funding Amount” means the amount to be provided by the Borrower/Grantee which, in combination with the Loan/Grant Amount, is sufficient to complete the Project or to provide matching funds needed to complete the Project. The Additional Funding Amount is Thirty Four Thousand Five Hundred Forty-Five Dollars (\$34,545).

“Administrative Fee” means an amount equal to one-quarter of one percent (0.25%) per annum of the unpaid principal balance of the Loan Amount, taking into account both payments made by the Borrower/Grantee and hardship waivers of payments granted to the Borrower/Grantee.

“Authorized Officers” means the Mayor, the Public Works Director and Clerk of the Borrower/Grantee.

“Board Rules” means Section 19.25.10 NMAC, as supplemented and amended.

“Borrower/Grantee” means the City of Deming in Luna County, New Mexico.

“Closing Date” means the date of execution, delivery and funding of the Loan/Grant Agreement.

“Completion Date” means the date of final payment of the cost of the Project.

“Expense Account” means the account established pursuant to this Resolution and held by the Finance Authority to pay the Expenses incurred by the Lenders/Grantors in connection with the Loan/Grant Agreement and the Loan/Grant.

“Expenses” means the costs of originating and administering the Loan/Grant, including legal fees to the extent allowed by the Act, the Board Rules and applicable policies of the Water Trust Board.

“Finance Authority” means the New Mexico Finance Authority.

“Generally Accepted Accounting Principles” means the officially established accounting principles applicable to the Borrower/Grantee consisting of the statements, determinations and other official pronouncements of the Government Accounting Standards Board, Financial Accounting Standards Board, Federal Accounting Standards Board or other principle-setting body acceptable to the Lenders/Grantors establishing accounting principles applicable to the Borrower/Grantee.

“Governing Body” means the City Council of the Borrower/Grantee, or any future successor governing body of the Borrower/Grantee.

“Grant” or “Grant Amount” means the amount provided to the Borrower/Grantee as a grant pursuant to the Loan/Grant Agreement for the purpose of funding the Project, and is Three Hundred Ten Thousand Nine Hundred Ten Dollars (\$310,910).

“Herein,” “hereby,” “hereunder,” “hereof,” “hereinabove” and “hereafter” refer to this entire Resolution and not solely to the particular section or paragraph of this Resolution in which such word is used.

“Lenders/Grantors” means the Water Trust Board and the Finance Authority.

“Loan” or “Loan Amount” means the amount provided to the Borrower/Grantee as a loan pursuant to the Loan/Grant Agreement for the purpose of funding the Project, and is Thirty Four Thousand Five Hundred Forty-Five Dollars (\$34,545).

“Loan/Grant” or “Loan/Grant Amount” means the combined amount partially provided to the Borrower/Grantee as the Grant Amount and partially borrowed by the Borrower/Grantee as the Loan Amount pursuant to the Loan/Grant Agreement for the purpose of funding the Project.

“Loan/Grant Agreement” means the Water Project Fund Loan/Grant Agreement entered into by and between the Borrower/Grantee, the Water Trust Board and the Finance Authority as authorized by this Resolution.

“NMAC” means the New Mexico Administrative Code.

“NMSA 1978” means the New Mexico Statutes Annotated, 1978 Compilation, as amended and supplemented.

“Pledged Revenues” means the revenues of the Borrower/Grantee pledged to the payment of the Loan Amount and Administrative Fees pursuant to this Resolution and the Loan/Grant Agreement and described in the Term Sheet.

“Project” means the project described in the Term Sheet.

“Project Account” means the auditable book account in the name of the Borrower/Grantee established pursuant to this Resolution and held by the Finance Authority for deposit of the Loan/Grant Amount, as shown in the Term Sheet, for disbursement to the Borrower/Grantee for payment of the costs of the Project.

“Qualifying Water Project” means a water project for (i) storage, conveyance or delivery of water to end-users; (ii) implementation of the federal Endangered Species Act of 1973 collaborative programs; (iii) restoration and management of watersheds; (iv) flood prevention or (v) conservation, recycling, treatment or reuse of water as provided by law; and which has been approved by the state legislature pursuant to Section 72-4A-9(B), NMSA 1978, as amended and supplemented.

“Resolution” means this Resolution as supplemented or amended from time to time.

“State” means the State of New Mexico.

“Term Sheet” means Exhibit “A” attached to the Loan/Grant Agreement.

“Useful Life” means the structural and material design life of the Project.

“Water Project Fund” means the fund of the same name created pursuant to Section 72-4A-9, NMSA 1978, and held and administered by the Finance Authority.

“Water Trust Board” or “WTB” means the water trust board created and established pursuant to the Act.

Section 2. Ratification. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Borrower/Grantee and officers of the Borrower/Grantee directed toward the acquisition and completion of the Project and the execution and delivery of the Loan/Grant Agreement shall be, and the same hereby is, ratified, approved and confirmed.

Section 3. Authorization of the Project and the Loan/Grant Agreement. The acquisition and completion of the Project and the method of funding the Project through execution and delivery of the Loan/Grant Agreement are hereby authorized and ordered. The Project is for the benefit and use of the Borrower/Grantee and the public whom it serves.

Section 4. Findings. The Governing Body hereby declares that it has considered all relevant information and data and hereby makes the following findings:

A. The Project is needed to meet the needs of the Borrower/Grantee and the public whom it serves.

B. Moneys available and on hand for the Project from all sources other than the Loan/Grant are not sufficient to defray the cost of acquiring the Project but, together with the Loan/Grant Amount, are sufficient to complete the Project.

C. The Project and the execution and delivery of the Loan/Grant Agreement pursuant to the Act to provide funds for the financing of the Project are necessary and in the interest of the public health, safety, and welfare of the public served by the Borrower/Grantee.

D. The Borrower/Grantee will acquire and complete the Project with the proceeds of the Loan/Grant, and except as otherwise expressly provided by the Loan/Grant Agreement, will utilize, operate and maintain the Project for the duration of its Useful Life, which is not less than twenty (20) years, as required by Section 72-4A-7(A)(1), NMSA 1978.

E. Together with the Loan/Grant Amount, the Additional Funding Amount is now available to the Borrower/Grantee, or is expected to become available to the Borrower/Grantee within six (6) months after the Closing Date, and, in combination with the Loan/Grant Amount, will be sufficient to complete the Project and pay Expenses.

F. The Lenders/Grantors shall maintain on behalf of the Borrower/Grantee a separate Project account or Project accounts and financial records in accordance with Generally Accepted Accounting Principles during the construction or implementation of the Project.

G. The Borrower/Grantee has or will acquire title to or easements or rights of way on the real property upon which the Project is being constructed or located.

Section 5. Loan/Grant Agreement—Authorization and Detail.

A. Authorization. This Resolution has been adopted by the affirmative vote of at least majority vote of a quorum of the Governing Body. For the purpose of protecting the public health, conserving the property, protecting the general welfare and prosperity of the

constituent public served by the Borrower/Grantee and acquiring and completing the Project, it is hereby declared necessary that the Borrower/Grantee execute and deliver the Loan/Grant Agreement evidencing the Borrower/Grantee's acceptance of the Grant Amount of \$310,910 and borrowing the Loan Amount of \$34,545 to be utilized solely for the purpose of completing the Project and paying Expenses, and solely in the manner and according to the restrictions set forth in the Loan/Grant Agreement, the execution and delivery of which are hereby authorized. The Borrower/Grantee shall use the Loan/Grant Amount to finance the acquisition and completion of the Project and to pay Expenses.

B. Detail. The Loan/Grant Agreement shall be in substantially the form of the Loan/Grant Agreement presented at the meeting of the Governing Body at which this Resolution was adopted. The Grant shall be in the amount of \$310,910 and the Loan shall be in the amount of \$34,545. Interest on the Loan Amount shall be zero percent (0%) per annum of the unpaid principal balance of the Loan Amount, and the Administrative Fee shall be one-quarter of one percent (0.25%) per annum of the unpaid principal balance of the Loan Amount, taking into account both payments made by the Borrower/Grantee and hardship waivers of payments granted to the Borrower/Grantee.

Section 6. Approval of Loan/Grant Agreement. The form of the Loan/Grant Agreement as presented at the meeting of the Governing Body at which this Resolution was adopted, is hereby approved. Authorized Officers are hereby individually authorized to execute, acknowledge and deliver the Loan/Grant Agreement with such changes, insertions and omissions as may be approved by such individual Authorized Officers, and the Clerk is hereby authorized to attest the Loan/Grant Agreement. The execution of the Loan/Grant Agreement shall be conclusive evidence of such approval.

Section 7. Security. The Loan Amount shall be solely secured by the pledge of the Pledged Revenues herein made and as set forth in the Loan/Grant Agreement.

Section 8. Disposition of Proceeds: Completion of the Project.

A. Project Account and Expense Account. The Borrower/Grantee hereby consents to creation of the Project Account and the Expense Account by the Finance Authority and approves of the deposit of the Loan/Grant Amount in those accounts as shown in the Term Sheet. Until the Completion Date, the money in the Project Account shall be used and paid out solely for the purpose of acquiring the Project in compliance with applicable law and the provisions of the Loan/Grant Agreement.

B. Completion of the Project. The Borrower/Grantee shall proceed to complete the Project with all due diligence. Upon the Completion Date, the Borrower/Grantee shall execute a certificate stating that completion of and payment for the Project has been completed. Following the Completion Date, any balance remaining in the Project Account shall be transferred and deposited into the Water Project Fund or otherwise distributed as provided in the Loan/Grant Agreement.

C. WTB and Finance Authority Not Responsible. Neither the Water Trust Board nor the Finance Authority shall in any manner be responsible for the application or disposal by the Borrower/Grantee or by its officers of the funds derived from the Loan/Grant Agreement or of any other funds held by or made available to the Borrower/Grantee in connection with the Project.

Section 9. Payment of Loan Amount. Pursuant to the Loan/Grant Agreement, the Borrower/Grantee shall pay the Loan Amount directly to the Finance Authority as provided in the Loan/Grant Agreement in an amount sufficient to pay principal and other amounts due under the Loan/Grant Agreement and to cure any deficiencies in the payment of the Loan Amount or other amounts due under the Loan/Grant Agreement.

Section 10. Lien on Pledged Revenues. Pursuant to the Loan/Grant Agreement, the Loan/Grant Agreement constitutes an irrevocable lien (but not an exclusive lien) upon the Pledged Revenues to the extent of the Loan Amount, which lien shall be subordinate to any lien on the Pledged Revenues existing on the Closing Date and, further, shall be subordinate to all other indebtedness secured or that may in the future be secured by the Pledged Revenues, except, however, that the lien shall be on parity with any other lien, present or future, for the repayment of any other loan provided to the Borrower/Grantee by the Lenders/Grantors pursuant to the Act.

Section 11. Authorized Officers. Authorized Officers are hereby individually authorized and directed to execute and deliver any and all papers, instruments, opinions, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, the Loan/Grant Agreement and all other transactions contemplated hereby and thereby. Authorized Officers are hereby individually authorized to do all acts and things required of them by this Resolution and the Loan/Grant Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Resolution and the Loan/Grant Agreement including but not limited to, the execution and delivery of closing documents in connection with the execution and delivery of the Loan/Grant Agreement.

Section 12. Amendment of Resolution. This Resolution after its adoption may be amended without receipt by the Borrower/Grantee of any additional consideration, but only with the prior written consent of the Water Trust Board and the Finance Authority.

Section 13. Resolution Irrepealable. After the Loan/Grant Agreement has been executed and delivered, this Resolution shall be and remain irrepealable until all obligations due under the Loan/Grant Agreement shall be fully discharged, as herein provided.

Section 14. Severability Clause. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 15. Repealer Clause. All bylaws, orders, ordinances, resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This

repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 16. Effective Date. Upon due adoption of this Resolution, it shall be recorded in the book of the Borrower/Grantee kept for that purpose, authenticated by the signatures of the Mayor and Clerk of the Borrower/Grantee, and this Resolution shall be in full force and effect thereafter, in accordance with law; provided, however, that if recording is not required for the effectiveness of this Resolution, this Resolution shall be effective upon adoption of this Resolution by the Governing Body.

Section 17. General Summary for Publication. Pursuant to the general laws of the State, the title and a general summary of the subject matter contained in this Resolution shall be published in substantially the following form:

[Remainder of page intentionally left blank.]

[Form of Summary of Resolution for Publication]

CITY OF DEMING
Notice of Adoption of Resolution

Notice is hereby given of the title and of a general summary of the subject matter contained in Resolution No. 12-16, duly adopted and approved by the City Council of The City of Deming on March 12, 2012. A complete copy of the Resolution is available for public inspection during normal and regular business hours in the office of the Clerk's office at 309 South Gold, Deming, NM 88030.

The title of the Resolution is:

CITY OF DEMING
RESOLUTION NO. 12-16

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A WATER PROJECT FUND LOAN/GRANT AGREEMENT BY AND BETWEEN THE NEW MEXICO WATER TRUST BOARD AND THE NEW MEXICO FINANCE AUTHORITY (THE "FINANCE AUTHORITY", AND COLLECTIVELY WITH THE WATER TRUST BOARD, THE "LENDERS/GRANTORS") AND THE CITY OF DEMING, LUNA COUNTY, NEW MEXICO (THE "BORROWER/GRANTEE"), IN THE AMOUNT OF THREE HUNDRED FORTY FIVE THOUSAND FOUR HUNDRED FIFTY-FIVE DOLLARS (\$345,455) EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF DESIGN AND CONSTRUCTION FOR EXPANSION OF THE WATER DISTRIBUTION SYSTEM, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR PAYMENT OF THE LOAN AMOUNT SOLELY FROM PLEDGED REVENUES; CERTIFYING THAT THE LOAN/GRANT AMOUNT, TOGETHER WITH OTHER FUNDS AVAILABLE TO THE BORROWER/GRANTEE, IS SUFFICIENT TO COMPLETE THE PROJECT; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN/GRANT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN/GRANT AGREEMENT.

A general summary of the subject matter of the Resolution is contained in its title. This notice constitutes compliance with Section 6-14-6, NMSA 1978.

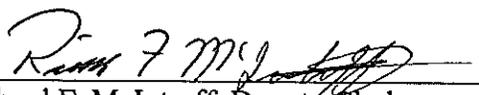
[End of Form of Summary for Publication]

PASSED, APPROVED AND ADOPTED THIS 12TH DAY OF MARCH, 2012.



CITY OF DEMING

By 
Andres Silva, Mayor

ATTEST:

Richard F. McInturff, Deputy Clerk

[Remainder of page intentionally left blank.]