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POPULATION 14,000

## CITY COUNCIL MEETING

April 13, 2015

6:00 P.M.

### AGENDA

#### Call to Order/Pledge of Allegiance

1. Consent Agenda
  - A. Minutes – City Council Regular Meeting 03/09/15
  - B. Minutes – Parks Commission Meeting 3/10/15-Meeting Cancelled
  - C. Minutes – Planning & Zoning Commission 03/16/15
    - a. Recommendation to approve the request for an alternate subdivision at 1400 E. Poplar  
*(To be presented later in meeting)*
    - b. Recommendation to approve the request for an alternate subdivision at 220 S. 9<sup>th</sup> Street  
*(To be presented later in meeting)*
  - D. Minutes – Planning & Zoning Commission Special Meeting 3/23/15
    - a. Recommendation to approve the request for a message board sign at 500 E. Railroad *(To be presented later in meeting)*
  - E. Out-of-State Travel Request for Cassie Arias to travel to Denver, Colorado on April 26-29, 2015 to attend the NBIA 29<sup>th</sup> International Conference on Business Incubation
  - F. Out-of-State Travel Request for D.J. Ritchlin to travel to Tulsa, Oklahoma on April 22-24, 2015 to attend the CNG Training
2. Public Forum
3. Swearing-In of Firefighter Joseph Owen
4. Ratification of Proclamation to Declare April 2015 as Fair Housing Month
5. Ratification of Proclamation to Declare National Day of Prayer
6. Ratification of Proclamation to Declare April as Child Abuse Prevention Month
7. Ratification of Proclamation to Declare May 3-9, 2015 as Municipal Clerks Week
8. Ratification of Proclamation to Declare April 30, 2015 as the Day of the Young Child
9. Approval/Denial of a Resolution Authorizing the Execution and Delivery of a Colonias Infrastructure project Fund Grant Agreement by and Among the New Mexico Colonias Infrastructure Board and the New Mexico Finance Authority and the City of Deming for a Sewer System Preliminary Engineering Report
10. Approval/Denial of a Resolution Authorizing the Execution and Delivery of a Water Project Fund Loan/Grant Agreement by and Between the New Mexico Finance Authority and the City of Deming for Water System Improvements Along Pear Street

11. Bids:
  - a. Bid No. 15-10 Keeler Farm Lease
12. Quasi-Judicial Public Hearing to Consider the Request for an Alternate Subdivision at 1400 E. Poplar.
13. Quasi-Judicial Public Hearing to Consider the Request for an Alternate Subdivision at 220 S. 9<sup>th</sup> Street.
14. Quasi-Judicial Public Hearing to Consider a Request for a Message Board Sign to be Located at 500 E. Railroad Blvd.
15. Closed Session to Discuss Limited Personnel Matters Regarding Employee Evaluations Pursuant to NMSA 1978, Section 10-15-1-(H)(2) of the Open Meetings Act.
16. Administrator's Report
17. Adjourn Meeting

***The next regular City Council Meeting is scheduled for May 11, 2015 at 6:00 p.m.***

# CITY COUNCIL MEETING MINUTES April 13, 2015

**Council Present:** Benny L. Jasso, Mayor  
David L. Sanchez, Councilor  
Joe “Butter” Milo, Mayor Pro Tem  
Roxana Rincon, Councilor  
Dr. Victor Cruz, Councilor

**Council Absent:** None

**Staff Present:** Aaron Sera, City Administrator  
Jim Massengill, Public Works Director  
Wesley Hooper, Community Svcs. Dir.  
Jim Foy, City Attorney  
Heather Sosa, Battalion Chief  
Raul Mercado, Fire Chief  
Gina Gentile, City Planner  
Brandon Gigante, Police Chief  
Laura Holguin, Treasurer  
Joseph Owen, Firefighter

**Recording Secretary:** Lila Jasso, Administrative Secretary/Asst. Deputy Clerk

Mayor Jasso called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

## 1. Consent Agenda

Mr. Sera stated that items C. and D., in the Planning & Zoning Commission Meetings of 3/16/15 and Special Meeting of 3/23/15, all three recommendations from both these meetings will be presented later in the meeting as Quasi-Judicial Public Hearings.

Mr. Sera went on to mention item E. Out-of-State travel request for Cassie Arias to attend the NBIA 29<sup>th</sup> International Conference on Business Incubation. He stated that this conference will help Cassie get a better understanding of implementing an incubation program for the City of Deming, which in turn will help small businesses.

Mr. Sera commented on item F. Out-of-State travel request for DJ Ritchlin to travel to Tulsa, Oklahoma and attend additional CNG Training. Mr. Sera stated that these trainings are saving the City thousands of dollars, due to the information and knowledge that Mr. Ritchlin is getting from the trainings. Mr. Sera stated that Mr. Ritchlin recently found a different supplier for a CNG Conversion Kit, which will also save the City money.

Councilor Cruz suggested that once Ms. Arias attends the Business Incubation Conference, she should give a brief summary of what she learned. Mr. Sera stated that he will have Ms. Arias include this information in her monthly report. Due to conflicting times with her currently taking classes at WNMU in Silver City, she is not able to attend City Council meetings.

## **2. Public Forum**

Mayor Jasso opened the public forum session for comment. The following person's public comments were noted:

- Joe Polichio, 3410 Isleta Court
- Larry Caldwell, 711 N. Zinc Street

## **3. Swearing –In of Firefighter Joseph Owen**

Mayor Jasso administered the Oath to firefighter Joseph Owen.

## **4. Ratification of Proclamation to Declare April 2015 as Fair Housing Month**

Mayor Jasso read the proclamation to declare April 2015 as Fair Housing Month.

Councilor Sanchez moved to ratify the proclamation to declare April 2015 as Fair Housing Month. Councilor Rincon seconded the motion; motion carried unanimously.

## **5. Ratification of Proclamation to Declare National Day of Prayer**

Mayor Jasso read the proclamation to declare Thursday, May 7, 2015 as National Day of Prayer.

Mayor Pro Tem Milo moved to ratify the proclamation to declare Thursday, May 7, 2015 as National Day of Prayer. Councilor Sanchez seconded the motion; motion carried unanimously.

## **6. Ratification of Proclamation to Declare April as Child Abuse Prevention Month**

Mayor Jasso read the proclamation to declare April as Child Abuse Prevention Month.

Councilor Sanchez moved to ratify the proclamation to declare April as Child Abuse Prevention Month. Councilor Rincon seconded the motion; motion carried unanimously.

## **7. Ratification of Proclamation to Declare May 3-9, 2015 as Municipal Clerks Week**

Mayor Jasso read the proclamation to declare May 3-9, 2015 as Municipal Clerks Week.

Councilor Sanchez moved to ratify the proclamation to declare May 3-9, 2015 as Municipal Clerks Week. Mayor Pro Tem Milo seconded the motion; motion carried unanimously.

## **8. Ratification of Proclamation to Declare April 30, 2015 as the Day of the Young Child**

Mayor Jasso read the proclamation to declare April 30, 2015 as the Day of the Young Child.

Councilor Cruz moved to ratify the proclamation to declare April 30, 2015 as the Day of the Young Child. Mayor Pro Tem Milo seconded the motion; motion carried unanimously.

**9. Approval/Denial of a Resolution Authorizing the Execution and Delivery of a Colonias Infrastructure project Fund Grant Agreement by and Among the New Mexico Colonias Infrastructure Board and the New Mexico Finance Authority and the City of Deming for a Sewer System Preliminary Engineering Report**

Mr. Massengill presented this resolution to Mayor and Council. He stated that this resolution is for the Colonias awarded preliminary engineering report (PER) and environmental assessment for a sanitary sewer system, which would identify how to phase in sewer upgrades around town. The Colonias Grant was awarded about a year ago and the City is just now getting the paperwork from the State, and he expects to receive the grant agreement around the end of May. Mr. Massengill stated that the grant agreement has been reviewed by Mr. Foy, City Attorney. He went on to state that the PER will cost \$165,000 of which \$150,000 will be funded by the Colonias grant and \$15,000 will be the 10 percent match paid by the City. Mr. Massengill noted that once the PER is complete, it can be used to solicit funding to upgrade the City's sewer system.

Councilor Sanchez asked if this report will follow what has been done in the Bell School area. Mr. Massengill stated that this PER will give an idea of sewer lines that need to be replaced and this report will be a critical part to pursue funding for necessary projects. He stated that once the report is complete, the City will try to prioritize the areas needing the most attention.

Mayor Jasso entertained a motion from Council.

Councilor Cruz moved to approve the resolution authorizing the execution and delivery of a Colonias Infrastructure Project Fund Grant Agreement by and among the New Mexico Colonias Infrastructure Board and the New Mexico Finance Authority and the City of Deming for a sewer system Preliminary Engineering Report (PER). Mayor Pro Tem Milo seconded the motion; motion carried unanimously.

**10. Approval/Denial of a Resolution Authorizing the Execution and Delivery of a Water Project Fund Loan/Grant Agreement by and Between the New Mexico Finance Authority and the City of Deming for Water System Improvements Along Pear Street**

Mr. Massengill presented this resolution to Mayor and Council. He stated that the resolution is for Water Trust Board Funding that the City was awarded last year to fund the water system improvements along Pear Street. He noted that the funding is to be used specifically for construction only, of the project. He went on to say that the project design, plan and specification had to be approved prior to receiving the grant agreement from NMFA. Mr. Massengill stated that this funding will be for a new water line to replace the old asbestos water line that is in place. The project will cover Pear Street from Highway 11 to 8<sup>th</sup> Street, which Mr. Massengill stated is approximately one mile. He went on to say that the City would be awarded \$1,017,706 and that this is a Grant/Loan in which \$610,623 is grant and \$407,082 is the loan component.

Mayor Pro Tem Milo asked if the project will include any paving of Pear Street. Mr. Massengill answered that it will only allow for patch paving.

Councilor Cruz asked if the City would need any special certifications due to the fact that the old sewer lines are asbestos. Mr. Massengill stated that the City would not need any special certification; however that would be included in the contractor's proposal. He stated that it would be the contractor's responsibility to make sure the asbestos line is handled properly.

Mayor Jasso entertained a motion from Council.

Councilor Cruz moved to approve the resolution authorizing the execution and delivery of a Water Project Fund Loan/Grant Agreement by and between the New Mexico Finance Authority and the City of Deming for Water System Improvements along Pear Street. Mayor Pro Tem Milo seconded the motion; motion carried unanimously.

## **11. Bids:**

### **a. Bid No. 15-10 Keeler Farm Lease**

Mr. Massengill presented this item to Mayor and Council. He gave a brief history of the farm and stated that the City owns 300 acres of farmland south of the Waste Water Treatment Plant and that effluent water is sent to the farm. He went on to say that the lease for this farm is to plant crops with high nitrogen intake. Mr. Massengill stated that two bids were received and opened on March 31, 2015 for bid number 15-10. He stated that Rubio Farms submitted the highest qualified bid in the amount of \$15,000 for a one year lease with the option to renew for three (3) additional years. He stated that staff recommends awarding the lease to Rubio Farms and they also requests authorization for the Public Works Director and/or City Administrator to enter into agreement with Rubio Farms and execute any documents related to this lease.

Mr. Massengill noted that the bidder understands the risk of the City having to dump excess effluent water onto this farm, and they agree to receive the water.

Mayor Pro Tem Milo asked for clarification of the operation of the farm. Mr. Massengill stated that the farmer farms the crop and received all profit from the sale of the crop.

Councilor Cruz asked for clarification of how much money was made on last year's crop. Mr. Hooper stated that last year, the farmer abandoned the crop and the figure did not reflect the overhead costs. Mr. Sera added that at the end, the farmer may not have a crop if too much effluent water is dumped on the crop. He noted that the farmer does understand the risks involved in leasing this farm. A brief discussion between Council and staff was entertained. Mayor Jasso entertained a motion from Council.

Councilor Cruz moved to award Bid No. 15-10-Keeler Farm Lease to Rubio Farms in the amount of \$15,000 for a one year lease with the option to renew for three (3) addition years. Mayor Pro Tem Milo seconded the motion; motion carried unanimously.

Councilor Cruz made a friendly amendment to include in his motion the authorization for the Public Works Director and/or City Administrator to enter into an agreement with Rubio Farms and execute any documents related to this lease. Mayor Pro Tem Milo accepted the friendly amendment and seconded the motion. The friendly amendment carried unanimously.

**12. Quasi-Judicial Public Hearing to Consider the Request for an Alternate Subdivision at 1400 E. Poplar.**

Mayor Jasso called to order the public hearing to consider the request for an Alternate Subdivision at 1400 E. Poplar. He confirmed with Council that there were no abstentions, ex-parte contacts, no conflicts of interest; that the legal notices were properly posted by the secretary and swore in all parties who would be giving testimony.

Ms. Gentile, City Planner, stated that this case is for an alternate subdivision to divide a 3 acre tract of land into two tracts. Tract 1 will be 0.707 acres and tract 2 will be 2.20 acres. She stated that tract one has an existing residence on it, and has access to Poplar Street via an existing dirt road where a 60 ft. right-of-way was dedicated to the city in 1978. She went on to say that there are copies of the deeds of all the existing lots in this area that date back to 1978 or before in the Planning files. Ms. Gentile stated that the lot being created by this request will front on Poplar Street. She affirmed that the case was recommended by the Planning & Zoning Commission and that staff has no technical objections to this request.

Mayor Jasso asked if there were any question of staff by any Council member. Mayor Pro Tem Milo asked how the subject property was zoned. Ms. Gentile stated that the property is zoned residential and adjacent to this land there is a non-conforming use where there is a commercial business located.

Councilor Sanchez asked about the dirt road that is currently located on the subject property. Ms. Gentile stated that the road is a right-of-way for James Street, possibly for the potential to extend James Street, but it has never been built out and the area is just dedicated right-of-way.

Mayor Jasso asked if the applicant or agent would like to make a statement. There was no response.

Mayor Jasso asked if any affected parties would like to speak. There was no response.

Mayor Jasso asked if there were any other persons that would like to speak. There was no response.

Mayor Jasso closed the public comment session and brought the hearing back to Council. He asked if any Council member was prepared to make a motion, or if they would like to go in to closed session under NMSA 1978 10-15-1 (H)(3).

Councilor Cruz moved to approve the request for an alternate subdivision at 1400 E. Poplar Street. Councilor Rincon seconded the motion; motion carried by the following roll call vote:

**ROLL CALL VOTE**

Councilor Sanchez	Aye
Councilor Rincon	Aye
Councilor Cruz	Aye
Mayor Pro Tem Milo	Aye

Mayor Jasso announced that the decision by the authority will be effective after the written order is executed and filed with both the Municipal and County Clerks. He went on to say that any action of the City Council in approving, conditionally approving or denying this application may be appealed to the District Court 15 calendar days after the date of this action by the applicant, any aggrieved person, by any member of the City Council or by the City Administrator.

**13. Quasi-Judicial Public Hearing to Consider the Request for an Alternate Subdivision at 220 S. 9<sup>th</sup> Street.**

Mayor Jasso called to order the public hearing to consider the request for an Alternate Subdivision at 220 S. 9<sup>th</sup> Street. He confirmed with Council that there were no abstentions, ex-parte contacts, no conflicts of interest; that the legal notices were properly posted by the secretary; and swore in all parties who would be giving testimony.

Ms. Gentile, City Planner, stated that this case is to request an alternate subdivision at 220 S. 9<sup>th</sup> Street dividing the property into two tracts, Tract 1, approximately 100 feet by 100 feet, and Tract 2 is 41.3 feet by 56.50 feet. She went on to say that all improvements are existing, and the subdivision is for the sale of one of the houses. She state that the Planning Commission recommended approval of this case and staff has no technical objections to the case. There was a brief discussion to clarify the subject property.

Mayor Jasso asked if there were any questions of staff by any Council member. There were none.

Mayor Jasso asked if the applicant or agent would like to make a statement. There was no response.

Mayor Jasso asked if there were any questions of the applicant or agent by any Council member. There were none.

Mayor Jasso asked if there were any affected parties who would like to speak. There were none.

Mayor Jasso asked if there were any other persons who would like to speak. There were none.

Mayor Jasso closed the public comment session and asked if any Council member was prepared to make a motion, or if they would like to go into closed session under NMSA 1978 10-15-1 (H)(3).

Councilor Cruz moved to approve the request for an alternate subdivision at 220 S. 9th Street. Councilor Sanchez seconded the motion; motion carried unanimously by the following roll call vote:

**ROLL CALL VOTE**

Councilor Cruz	Aye
Mayor Pro Tem Milo	Aye
Councilor Rincon	Aye
Councilor Sanchez	Aye

Mayor Jasso announced that the decision by the authority will be effective after the written order is executed and filed with both the Municipal and County Clerks. He went on to say that any action of the City Council in approving, conditionally approving or denying this application may be appealed to the District Court 15 calendar days after the date of this action by the applicant, any aggrieved person, by any member of the City Council or by the City Administrator.

**14. Quasi-Judicial Public Hearing to Consider a Request for a Message Board Sign to be Located at 500 E. Railroad Blvd.**

Mayor Jasso called to order the public hearing to consider the request for a message board sign to be located at 500 E. Railroad Blvd. He confirmed with Council that there were no abstentions, ex-parte contacts, no conflicts of interest; that the legal notices were properly posted by the secretary; and swore in all parties who would be giving testimony.

Ms. Gentile, City Planner, stated that this case is for a message board sign; which is pursuant to Deming Municipal code section 11-1-2 requires approval by City Council and recommendation from Planning Commission. She went on to say that it states "Message Boards: Signs shall not include or be illuminated by flashing, intermittent or moving lights without prior approval of the Deming City Council. An application for such approval shall be made to the Planning and Zoning Commission and the public given notice and opportunity to be heard as to whether, and under what conditions, such a sign should be allowed." She stated that the sign will comply with all other aspects of the sign code and building code, and staff has no technical objections to this request. She noted that the Planning Commission recommended this case for approval.

Mayor Jasso asked if there were any questions of staff by any City Council member. Mayor Pro Tem Milo asked if the applicant already had a sign. Ms. Gentile stated that they did and that this message board would be located next to the existing sign. Councilor Sanchez asked for clarification of the business location. Ms. Gentile explained the location to Councilor Sanchez.

Mayor Jasso asked if the applicant or agent would like to make a statement. There was no response.

Mayor Jasso asked if there were any affected parties that would like to speak. There were none.

Mayor Jasso asked if there were any other persons who would like to speak. There were none.

Mayor Jasso closed the public comments and asked if any Council member was prepared to make a motion of if they would like to go into closed session under NMSA 1978 10-15-1 (H)(3).

Councilor Cruz moved to approve the request for a message board sign to be located at 500 E. Railroad Boulevard. Mayor Pro Tem Milo seconded the motion; motion carried unanimously by the following roll call vote:

**ROLL CALL VOTE**

Mayor Pro Tem Milo	Aye
Councilor Cruz	Aye
Councilor Rincon	Aye
Councilor Sanchez	Aye

Mayor Jasso announced that the decision by the authority will be effective after the written order is executed and filed with both the Municipal and County Clerks. He went on to say that any action of the City Council in approving, conditionally approving or denying this application may be appealed to the District Court 15 calendar days after the date of this action by the applicant, any aggrieved person, by any member of the City Council or by the City Administrator.

**15. Closed Session to Discuss Limited Personnel Matters Regarding Employee Evaluations Pursuant to NMSA 1978, Section 10-15-1-(H)(2) of the Open Meetings Act.**

Councilor Sanchez moved to go into closed session. Mayor Pro Tem Milo seconded the motion; motion carried by the following roll call vote:

**ROLL CALL VOTE**

Councilor Rincon	Aye
Councilor Cruz	Aye
Councilor Sanchez	Aye
Mayor Pro Tem Milo	Aye

Mayor Pro Tem Milo moved to go back into open session. Councilor Sanchez seconded the motion; motion carried by the following roll call vote:

**ROLL CALL VOTE**

Councilor Rincon	Aye
Councilor Cruz	Aye

Councilor Sanchez           Aye  
Mayor Pro Tem Milo        Aye

Mayor Jasso stated for the record that only the items mentioned in the motion to go into closed session were discussed and that no items were moved upon during the closed session.

Mayor Jasso stated that all the self-evaluations were reviewed but Council is going to continue to review and any questions of staff will be addressed at the following meetings.

## **16. Administrator's Report**

- Mr. Sera spoke of the CNG station, west of town. He stated that there have been issues with the shipping company and some electrical issues. He went on to say that the station should be opened by the end of this month. He noted that there have been some companies who have asked to put their "brand" on the station. Mr. Sera stated that he and Mr. Hooper have talked about this and they will not be going that route at this time.
- Mr. Sera stated that the multi-use path, which has been a team effort from various City departments, is complete. He stated that they are waiting for the NMDOT to approve the project and close it out, that is why there are still orange barrels on the project site. He stated that the next project is to take the path further west along Florida Street, and he hopes to find funding for this plan.
- Mr. Sera stated that the Florida Street drainage project is going well. He stated that this project has been very beneficial and is coming along very well.
- Budget and rate analysis will be presented in May. He and Ms. Holguin have been looking at the requests and feel that the department heads have asked for reasonable requests; knowing that the City will have a loss in revenue. They will keep working on the budget for the next couple of weeks and will have something to present at a later date.
- Mr. Sera stated that he is working on a strategic plan in which they will be talking about revenues, expenses, operations and quality of life issues within the City. He stated that with the PNM proposed rate increase, the City will have to look for energy efficiencies throughout the City.
- Mr. Sera stated that the library improvements will begin soon. He stated that they will be replacing all the lighting to LED and replacing some computers. Mr. Hooper noted that the requests for new carpet and storage closets had to be cut out of the plans. Mr. Sera stated that the library will be talking to PNM about their rebate program. He noted that the money to fund these projects will be taken from the Library Donation Fund.
- Mr. Sera stated that union negotiations between the fire and police departments are underway. He stated that the negotiations for the fire department are complete and he will be working on the negotiations for the police department, next week.

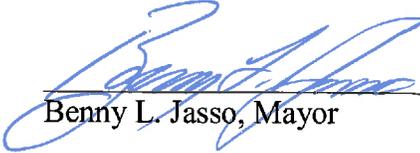
Councilor Cruz asked about the old CNG station. Mr. Hooper stated that due to the fact that the station pumps out a low volume of gas, there is a delay for customers who may need gas. A brief discussion was entertained between staff and council regarding the CNG stations.

**17. Adjourn Meeting**

With no further business to discuss, Councilor Sanchez moved to adjourn the meeting. Mayor Pro Tem Milo seconded the motion; motion carried unanimously. Meeting adjourned at 9:00 p.m.



**CITY OF DEMING, NEW MEXICO**

  
Benny L. Jasso, Mayor

  
Aaron Sera, Clerk

# *Proclamation*

## **TO DECLARE 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**, Benny L. Jasso, Mayor of the City of Deming, do hereby proclaim the month of April 2015 as

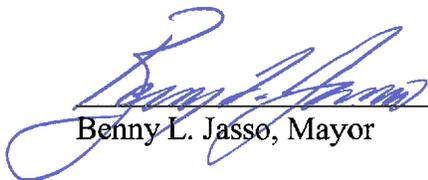
## **"Fair Housing Month"**

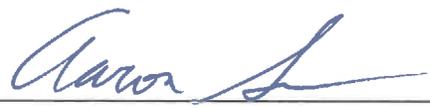
**IN WITNESS WHEREOF**, I have hereunto set my hand and seal of the City of Deming to be affixed in the City of Deming, Luna County, New Mexico this 13<sup>th</sup> day of April, 2015.



ATTEST:

**CITY OF DEMING, NEW MEXICO**

  
Benny L. Jasso, Mayor

  
Aaron Sera, Clerk

*Proclamation*  
*National Day of Prayer*

**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,** I, Benny L. Jasso, Mayor of the City of Deming, do hereby proclaim Thursday, May 7, 2015 as:

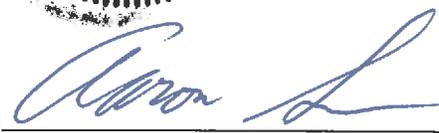
**“A DAY OF PRAYER”**

Done this 13<sup>th</sup> day of April, 2015 in the City of Deming, New Mexico.



**CITY OF DEMING, NEW MEXICO**

  
Benny L. Jasso, Mayor

  
Aaron Sera, Clerk

# *Proclamation*

## *National Child Abuse Prevention Month*

**WHEREAS**, child abuse and neglect is a complex and ongoing problem in our society, affecting many children in Luna County; and

**WHEREAS**, every child is entitled to be loved, cared for, nurtured, and to feel secure and free from verbal, sexual, emotional and physical abuse and neglect; and

**WHEREAS**, approximately 3 million children are reported abused and neglected in this country each year. Most physical abuse or neglect occurs among children under the age of two, during a critical period of brain development; and

**WHEREAS**, the effects of child abuse are felt by whole communities, and need to be addressed by the entire community; and

**WHEREAS**, warning signs of child abuse or neglect include nervousness, aggression, inability to concentrate for long periods of time, sudden dramatic changes in personality, acting out sexually, frequent or unexplained injuries, low self-esteem, and poor hygiene; and

**WHEREAS**, all citizens, community agencies, faith organizations, and businesses will work to increase their efforts to support families.

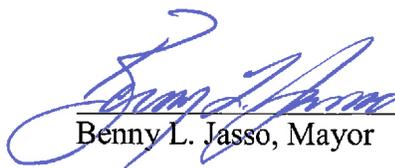
**THEREFORE BE IT RESOLVED** that I, Benny L. Jasso, Mayor of the City of Deming, do hereby proclaim the month of April 2015 Child Abuse Prevention Month.

**AND BE IT FURTHER RESOLVED** that the City of Deming actively endorses *Child Abuse Prevention Month* and encourages fellow residents in the City to support our young people by protecting and providing them a safe environment free from physical, sexual, and emotional abuse.

Signed this 13<sup>th</sup> day of April, 2015 in the City of Deming, New Mexico.



CITY OF DEMING, NEW MEXICO

  
Benny L. Jasso, Mayor

ATTEST:

  
Aaron Sera, Clerk

*Proclamation*  
**Municipal Clerks Week**  
**May 3-9, 2015**

**WHEREAS**, The Office of the Municipal Clerk, a time honored and vital part of local government exists throughout the world, and

**WHEREAS**, The Office of the Municipal Clerk is the oldest among public servants, and

**WHEREAS**, The Office of the Municipal Clerk provides the professional link between the citizens, the local governing bodies and agencies of government at other levels, and

**WHEREAS**, Municipal Clerks have pledged to be ever mindful of their neutrality and impartiality, rendering equal service to all, and

**WHEREAS**, The Municipal Clerk serves as the information center on functions of local government and community, and

**WHEREAS**, Municipal Clerks continually strive to improve the administration of the affairs of the Office of the Municipal Clerk through participation in education programs, seminars, workshops and the annual meetings of their state, provincial, county and international professional organizations.

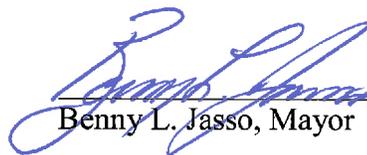
**WHEREAS**, it is most appropriate that we recognize the accomplishments of the Office of the Municipal Clerk.

**NOW, THEREFORE, I, Benny L. Jasso, Mayor of the City of Deming, do recognize the week of May 3 through May 9, 2015, as Municipal Clerks Week, and further extend appreciation to our Municipal Clerk, Aaron Sera and Assistant Deputy Clerk, Lila Jasso, and to all Municipal Clerks for the vital services they perform and their exemplary dedication to the communities they represent.**

Dated this 13<sup>th</sup> day of April, 2015 here at the City of Deming, New Mexico.



**CITY OF DEMING, NEW MEXICO**

  
Benny L. Jasso, Mayor

ATTEST:

  
Aaron Sera, Clerk

# *Proclamation*

## **The Day of the Young Child**

**WHEREAS**, the City of Deming recognizes the contributions each child places to the community, and

**WHEREAS**, on behalf of the citizens of the City of Deming, it gives me great pleasure to extend my best wishes to the young children for their outstanding improvements and accomplishments done in our community, and

**WHEREAS**, the week of the young child has made a difference to the community through their devotions and dedications provided through their efforts and who are willing to go the extra mile, and

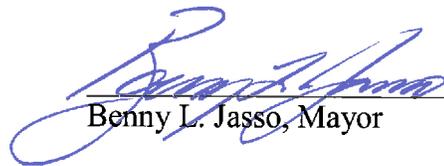
**WHEREAS**, you are an excellent example for the citizens of our community to follow;

**NOW THEREFORE**, I, Benny L. Jasso, Mayor of the City Of Deming do hereby proclaim April 30<sup>th</sup>, 2015 “THE DAY OF THE YOUNG CHILD” in the City of Deming and urge all citizens to publically recognize and acknowledge each young child for their outstanding improvements and accomplishments in our community.

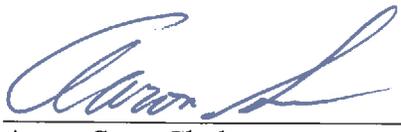
**IN TESTIMONY WHEREOF**, I have hereunto set my hand and caused to be affixed the great seal of the City of Deming, New Mexico this 13<sup>th</sup> day of April, 2015.



**CITY OF DEMING, NEW MEXICO**

  
Benny L. Jasso, Mayor

ATTEST:

  
Aaron Sera, Clerk

**CITY OF DEMING, LUNA COUNTY, NEW MEXICO  
RESOLUTION NO. 15-15**

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A COLONIAS INFRASTRUCTURE PROJECT FUND GRANT AGREEMENT BY AND AMONG THE NEW MEXICO COLONIAS INFRASTRUCTURE BOARD (“CIB”) AND THE NEW MEXICO FINANCE AUTHORITY (“FINANCE AUTHORITY,” AND COLLECTIVELY WITH THE CIB, THE “GRANTORS”) AND THE CITY OF DEMING (THE “GRANTEE”), IN THE TOTAL AMOUNT OF ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000), EVIDENCING AN OBLIGATION OF THE GRANTEE TO UTILIZE THE GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF PREPARATION OF A PRELIMINARY ENGINEERING REPORT AND ENVIRONMENTAL ASSESSMENT FOR THE SANITARY SEWER SYSTEM TO REPLACE OLD PIPES OF THE SANITARY SEWER SYSTEM, AND SOLELY IN THE MANNER DESCRIBED IN THE GRANT AGREEMENT; CERTIFYING THAT THE GRANT AMOUNT, TOGETHER WITH OTHER FUNDS AVAILABLE TO THE GRANTEE, IS SUFFICIENT TO COMPLETE THE PROJECT; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE 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 GRANT AGREEMENT.

Capitalized terms used in the following preambles and not defined in the preambles have the same meaning as defined in this Resolution unless the context requires otherwise.

WHEREAS, the CIB is a public body duly organized and created pursuant to the laws of the State of New Mexico (the “State”), particularly the Colonias Infrastructure Act, NMSA 1978, §§ 6-30-1 through 6-30-8, as amended, (the “Colonias Infrastructure Act” or the “Act”); and

WHEREAS, the Finance Authority is a public body politic and corporate, separate and apart from the State, constituting a governmental instrumentality, duly organized and created pursuant to the laws of the State, particularly NMSA 1978, §§ 6-21-1, through 6-21-31, as amended, (the “Finance Authority Act”); and

WHEREAS, the Grantee is a Political Subdivision of the State, being a legally and regularly created, established, organized and existing incorporated municipality under the general laws of the State and more specifically, the Municipal Code, NMSA 1978, §§ 3-1-1 through 3-66-11; and

WHEREAS, the Act creates the Colonias Infrastructure Project Fund (the “Fund”) in the Finance Authority, to be administered by the Finance Authority to originate grants or loans and grants to Qualified Entities for Qualified Projects recommended by the CIB; and

WHEREAS, the Grantee is a community that is a Colonia within the meaning of Act; and

WHEREAS, the Grantee has determined that it is in the best interests of the Grantee to enter into an Agreement with the Grantors to accept a grant in the amount of one hundred fifty thousand dollars (\$150,000) from the Grantors to finance the costs of the Project, this project being more particularly described in the Term Sheet; and

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

WHEREAS, the Project was presented to and approved by the CIB and the Finance Authority as a one hundred percent (100%) grant without a loan component; and

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

WHEREAS, the Grant Agreement shall not constitute a general obligation of the Grantee, the CIB or the Finance Authority or a debt or pledge of the full faith and credit of the Grantee, the CIB, the Finance Authority or the State; and

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

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

WHEREAS, the Grantee acknowledges that, in the event that it is unable to provide the Local Match within six (6) months after the Closing Date, the Grant Agreement shall, at the option of the CIB and the Finance Authority, terminate and be of no further force or effect; and

WHEREAS, the Grantee has met the requirements of Executive Order 2013-006 and has or will meet prior to the first disbursement of any portion of the Grant Amount, the Conditions and readiness to proceed requirements established for the portion of the Grant Amount disbursed or caused to be disbursed by the Finance Authority and the CIB; and

WHEREAS, all required authorizations, consents and approvals in connection with (i) the use of the Grant Amount for the purposes described, and according to the restrictions set forth, in the Grant Agreement; (ii) the availability of other monies necessary and sufficient, together with the Grant Amount, to complete the Project; and (iii) the authorization, execution and delivery of

the 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 THE CITY OF DEMING, LUNA COUNTY, NEW MEXICO:

Section 1. Definitions. Capitalized terms defined in the foregoing preambles, if not defined in this Section 1, shall have the same meaning as stated in the preambles, unless the context clearly requires otherwise. 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):

“Agreement” or “Grant Agreement” means the Grant Agreement and any amendments or supplements thereto, including the exhibits attached thereto.

“Authorized Officers” means, any one or more of the Mayor, Mayor Pro Tem, Treasurer, and Administrator/Clerk thereof.

“Colonia” or “Colonias” means a Colonia as defined in the Act, and more particularly in NMSA 1978, § 6-30-3(C), as amended; and particularly the Colonia of the City of Deming.

“Conditions” has the meaning given to that term in the Grant Agreement.

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

“Effective Date” or “Closing Date” means the date of execution of the Grant Agreement by the Grantee, the CIB and the Finance Authority.

“Eligible Architectural, Engineering and Construction Management Fees” means the fees and costs associated with the architectural, engineering and construction project management costs for services rendered to the Grantee for the transaction of the Project and those directly associated with the Project.

“Eligible Fees for Other Professional Services” means the fees and costs incurred for other professional services necessary to the completion of the Project including, but not limited to, services provided by accounting and auditing firms, hydrologists and surveyors.

“Eligible Fiscal Agent Fees” means fees and costs incurred by a fiscal agent for the administration of Project funds, including the collection and reporting of Project information as required by the Agreement.

“Eligible Legal Costs” means legal fees and costs for services rendered by legal counsel on behalf of the Grantee for transaction of the Project and those directly associated with the Qualified Project.

“Eligible Items” has the meaning given to that term in the Grant Agreement.

“Expenses” means the costs of the Grantors of originating and administering the Grant, and includes Grantee’s Eligible Architectural, Engineering and Construction Management Fees, Eligible Fees for Other Professional Services, Eligible Legal Costs and Eligible Fiscal Agent Fees to the extent allowed under the Act, the Rules, other applicable statutes and rules, and applicable Policies.

“Fiscal Year” means the period commencing on July 1 of each calendar year and ending on the last day of June of the next succeeding calendar year, or any other twelve-month period which any appropriate authority may hereafter establish for the Grantee as its fiscal year.

“Generally Accepted Accounting Principles” means the officially established accounting principles applicable to the 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 Grantors establishing accounting principles applicable to the Grantee.

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

“Grant” or “Grant Amount” means the amount provided to the Grantee as a grant pursuant to the Grant Agreement for the purpose of funding the Project, and equals one hundred fifty thousand dollars (\$150,000).

“Grantors” means the CIB and the Finance Authority.

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

“Local Match” means the amount determined pursuant to the Policies to be provided by the Grantee which includes the total value of the soft or hard match (each as defined in the Policies) which, in combination with the Grant Amount and other monies available to the Grantee, is sufficient to complete the Project. The Local Match is fifteen thousand dollars (\$15,000).

“NMAC” means the New Mexico Administrative Code.

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

“Policies” means the Colonias Infrastructure Project Fund Project Selection and Management Policies, approved by the CIB.

“Political Subdivision of the State” means a municipality, a county, water and sanitation district, an association organized and existing pursuant to the Sanitary Projects Act, NMSA

1978, § 3-29-1 through § 3-29-21, as amended, or any other entity recognized by statute as a political subdivision of the State.

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

“Project Account” means the book account established by the Finance Authority in the name of the Grantee for purposes of tracking expenditure of the Grant Amount by the Grantee to pay for the costs of the Project, as shown in the Term Sheet, which account shall be kept separate and apart from all other accounts of the Finance Authority.

“Qualified Entity” means a county, municipality, or other entity recognized as a Political Subdivision of the State pursuant to NMSA 1978, § 6-30-3(F), as amended.

“Qualified Project” means a project selected by the CIB for financial assistance that is primarily intended to develop Colonias infrastructure. A Qualified Project may include a water system, a wastewater system, solid waste disposal facilities, flood and drainage control, roads or housing infrastructure pursuant to NMSA 1978, § 6-30-3(G), as amended, but does not include general operation and maintenance, equipment, housing allowance payments or mortgage subsidies.

“Resolution” means this Resolution as it may be supplemented or amended from time to time, pursuant to Section 9.

“Rules” means Review and Selection of Colonias Infrastructure Projects, New Mexico Colonias Infrastructure Board, Sections 2.91.2.1 through 2.91.2.18 NMAC.

“State” means the State of New Mexico.

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

“Useful Life” means the period during which the Project is expected to be usable for the purpose for which it was acquired.

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

Section 3. Authorization of the Project and the Grant Agreement. The acquisition and completion of the Project and the method of funding the Project through execution and delivery of the Grant Agreement are hereby authorized and ordered. The Project is for the benefit and use of the Grantee and the constituent public served by the Grantee.

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 Grantee and the constituent public served by the Grantee.

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

C. The Project and the execution and delivery of the 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 constituent public served by the Grantee.

D. The Grantee will acquire and complete the Project with the proceeds of the Grant, the Local Match and other amounts available to the Grantee, and except as otherwise expressly provided by the Grant Agreement, will utilize, operate and maintain the Project for the duration of its Useful Life.

E. Together with the Grant Amount, and other amounts available to the Grantee, the Local Match is now available to the Grantee, or is expected to become available to the Grantee within six (6) months after the Closing Date, and, in combination with the Grant Amount, the Local Match and other amounts available to the Grantee, will be sufficient to complete the Project and pay Expenses.

F. The Grantors shall maintain on behalf of the Grantee a separate Project Account as a book account only on behalf of the Grantee and financial records in accordance with Generally Accepted Accounting Principles during the construction or implementation of the Project.

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

#### Section 5. Grant Agreement – Authorization and Detail.

A. Authorization. This Resolution has been adopted by the affirmative vote of at least a majority of all of the members of the Governing Body. For the purpose of protecting the public health, conserving the property, and protecting the general welfare and prosperity of the public served by the Grantee and acquiring and completing the Project, it is hereby declared necessary that the Grantee execute and deliver the Grant Agreement evidencing the Grantee's acceptance of the Grant Amount of one hundred fifty thousand dollars (\$150,000) 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 Grant Agreement, the execution and delivery of which is hereby authorized. The Grantee shall use the Grant Amount to finance the acquisition and completion of the Project and to pay Expenses.

B. Detail. The Grant Agreement shall be in substantially the form of the Grant Agreement presented at the meeting of the Governing Body at which this Resolution was adopted. The Grant shall be in the amount of one hundred fifty thousand dollars (\$150,000).

Section 6. Approval of Grant Agreement. The form of the 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 Grant Agreement with such changes, insertions and omissions as may be approved by such individual Authorized Officers, and the Administrator/Clerk is hereby authorized to attest the Grant Agreement. The execution of the Grant Agreement shall be conclusive evidence of such approval.

Section 7. Disposition of Proceeds: Completion of the Project.

A. Project Account and Expenses. The Grantee hereby consents to creation of the Project Account and the payment of Expenses by the Finance Authority and further approves of the deposit or crediting of a portion of the Grant Amount to pay Expenses. Until the Completion Date, the amount of the Grant credited to 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 Grant Agreement or to pay Expenses.

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

C. CIB and Finance Authority Not Responsible. Grantee shall apply the funds derived from the Grant Agreement as provided therein, and in particular Article V of the Grant Agreement. Neither the CIB nor the Finance Authority shall in any manner be responsible for the application or disposal by the Grantee or by its officers of the funds derived from the Grant Agreement or of any other funds held by or made available to the Grantee in connection with the Project. Grantors shall not be liable for the refusal or failure of any other agency of the State to transfer any portion of the Grant Amount in its possession, custody and control to the Finance Authority for disbursement to the Grantee, or to honor any request for such transfer or disbursement of the Grant Amount.

Section 8. 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 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 Grant Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Resolution and the Grant Agreement including but not limited to, the execution and delivery of closing documents in connection with the execution and delivery of the Grant Agreement.

Section 9. Amendment of Resolution. This Resolution after its adoption may be amended without receipt by the Grantee of any additional consideration, but only with the prior written consent of the CIB and the Finance Authority.

Section 10. Resolution Irrepealable. After the Grant Agreement has been executed and delivered, this Resolution shall be and remain irrepealable until all obligations due under the Grant Agreement shall be fully discharged, as herein provided.

Section 11. 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 12. 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 13. Effective Date. Upon due adoption of this Resolution, it shall be recorded in the book of the Grantee kept for that purpose, authenticated by the signatures of the Mayor and Administrator/Clerk of the 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.

*[Remainder of page intentionally left blank.]*

*[Signature page follows.]*

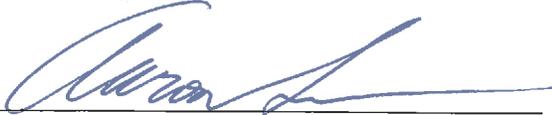
PASSED, APPROVED AND ADOPTED THIS 13TH DAY OF APRIL, 2015.



CITY OF DEMING,  
LUNA COUNTY, NEW MEXICO

By   
Benny L. Jasso, Mayor

ATTEST:



Aaron Sera, Administrator/Clerk

*[Remainder of page intentionally left blank.]*

**CITY OF DEMING, LUNA COUNTY, NEW MEXICO  
RESOLUTION NO. 15-16**

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A WATER PROJECT FUND LOAN/GRANT AGREEMENT BY AND BETWEEN THE NEW MEXICO FINANCE AUTHORITY (“FINANCE AUTHORITY”) THE (“LENDER/GRANTOR”) AND THE CITY OF DEMING (THE “BORROWER/GRANTEE”), IN THE TOTAL AMOUNT OF ONE MILLION SEVENTEEN THOUSAND SEVEN HUNDRED FIVE DOLLARS (\$1,017,705), EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF CONSTRUCTION OF WATER SYSTEM IMPROVEMENTS ALONG PEAR STREET FROM 8TH STREET TO NM HIGHWAY 11 TO INCLUDE REPLACEMENT OF CEMENT ASBESTOS TRANSMISSION LINES AND INSTALLATION OF THE WATER MAIN, GATE VALVES, MANHOLE ADJUSTMENTS AND PAVEMENT AND ROADWAY PATCHING, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR PAYMENT OF THE LOAN AMOUNT AND AN ADMINISTRATIVE FEE SOLELY FROM THE NET SYSTEM REVENUES OF THE WATER UTILITY SYSTEM OF THE BORROWER/GRANTEE; 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 incorporated municipality under the general laws of the State and more specifically, the Municipal Code, NMSA 1978, §§ 3-1-1 through 3-66-11; 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, there have been presented to the Governing Body and there presently are on file with the Administrator/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, 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 THE 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 general laws of the State, particularly the Water Project Finance Act, NMSA 1978, §§ 72-4A-1 through 72-4A-10, as amended, and enactments of the Governing Body relating to the Loan/Grant Agreement, including this Resolution, all as amended and supplemented.

“Additional Funding Amount” means the amount to be provided by the Borrower/Grantee which includes the total value of the Soft Match or Hard Match (each as defined in Section 2.5 of the Policies),, which, in combination with the Loan/Grant Amount and other amounts available to the Borrower/Grantee, is sufficient to complete the Project. The Additional Funding Amount is two hundred three thousand five hundred forty-one dollars (\$203,541).

“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 pursuant to Section 5.1(a)(iii) of the Loan/Grant Agreement.

“Authorized Officers” means any one or more of the Mayor, Mayor Pro Tem, Treasurer and Administrator/Clerk of the Borrower/Grantee.

“Board Rules” means Review and Eligibility of Proposed Water Projects, New Mexico Water Trust Board, 19.25.10 NMAC.

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

“Closing Date” means the date of execution the Loan/Grant Agreement by the Borrower/Grantee and the Finance Authority.

“Colonias Infrastructure Act” means NMSA 1978, §§ 6-30-1 through 6-30-8, as amended.

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

“Conditions” has the meaning given to that term in the Loan/Grant Agreement.

“Eligible Legal Cost” has the meaning given to that term in the Loan/Grant Agreement.

“Eligible Fiscal Agent Fees” has the meaning given to that term in the Loan/Grant Agreement.

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

“Expenses” means the costs of the Lender/Grantor of originating and administering the Loan/Grant, including Eligible Legal Costs and Eligible Fiscal Agent Fees to the extent allowed under 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 Lender/Grantor 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 equals six hundred ten thousand six hundred twenty-three dollars (\$610,623).

“Gross Revenues” means all income and revenues directly or indirectly derived by the Borrower/Grantee from the operation and use of the System, or any part of the System, for any particular Fiscal Year period to which the term is applicable, and includes, without limitation, all revenues received by the Borrower/Grantee, or any municipal corporation or agency succeeding to the rights of the Borrower/Grantee, from the System and from the sale and use of water and sanitary sewer services or facilities, or any other service, commodity or facility or any combination thereof furnished by the System.

Gross Revenues do not include:

(a) Any money received as (i) grants or gifts from the United States of America, the State or other sources or (ii) the proceeds of any charge or tax intended as a replacement therefor or other capital contributions from any source which are restricted as to use;

(b) Gross receipts taxes, other taxes and/or fees collected by the Borrower/Grantee and remitted to other governmental agencies; and

(c) Condemnation proceeds or the proceeds of any insurance policy, except any insurance proceeds derived in respect of loss of use or business interruption.

“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.

“Lender/Grantor” means 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 equals four hundred seven thousand eighty-two dollars (\$407,082).

“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, and equals one million seventeen thousand seven hundred five dollars (\$1,017,705).

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

“Net System Revenues” means the Gross Revenues of the System minus Operation and Maintenance Expenses, indirect charges, amounts expended for capital replacement and repairs, required set asides for debt and replacement requirements, and any other payments from the gross revenues reasonably required for operation of the water and wastewater utility systems.

“NMAC” means the New Mexico Administrative Code.

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

“Operation and Maintenance Expenses” means all reasonable and necessary current expenses of the System, for any particular Fiscal Year or period to which such term is applicable, paid or accrued, related to operating, maintaining and repairing the System, including, without limiting the generality of the foregoing:

(a) Legal and overhead expenses of the Borrower/Grantee directly related and reasonably allocable to the administration of the System;

(b) Insurance premiums for the System, including, without limitation, premiums for property insurance, public liability insurance and workmen’s compensation insurance, whether or not self-funded;

(c) Premiums, expenses and other costs (other than required reimbursements of insurance proceeds and other amounts advanced to pay debt service requirements on System bonds) for credit facilities;

(d) Any expenses described in this definition other than expenses paid from the proceeds of System bonds;

(e) The costs of audits of the books and accounts of the System;

(f) Amounts required to be deposited in any rebate fund;

(g) Salaries, administrative expenses, labor costs, surety bonds and the cost of water, materials and supplies used for or in connection with the current operation of the System; and

(h) Any fees required to be paid under any operation, maintenance and/or management agreement with respect to the System.

Operation and Maintenance Expenses do not include any allowance for depreciation, payments in lieu of taxes, franchise fees payable or other transfers to the Borrower/Grantee's general fund, liabilities incurred by the Borrower/Grantee as a result of its negligence or other misconduct in the operation of the System, any charges for the accumulation of reserves for capital replacements or any Operation and Maintenance Expenses payable from moneys other than Gross Revenues.

"Pledged Revenues" means the Net System Revenues of the Borrower/Grantee pledged to the payment of the Loan Amount and Administrative Fee 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 book account established by the Finance Authority in the name of the Borrower/Grantee for purposes of tracking expenditure of the Loan/Grant Amount by the Borrower/Grantee to pay for the costs of the Project, as shown in the Term Sheet, which account shall be kept separate and apart from all other accounts of the Finance Authority.

"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 NMSA 1978, § 72-4A-9(B), as amended.

"Resolution" means this Resolution as it may be supplemented or amended from time to time.

"State" means the State of New Mexico.

"System" means the water utility system operated pursuant to Deming City Code, Article 9, Chapters 3 through 4, of the Borrower/Grantee, owned and operated by the Borrower/Grantee, and of which the Project, when completed, will form part.

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

“Useful Life” means the structural and material design life of the Project, including planning and design features, which shall not be less than twenty (20) years as required by the Act and the Board Rules.

“Water Project Fund” means the fund of the same name created pursuant to NMSA 1978, § 72-4A-9, as amended, 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, the pledge of the Pledged Revenues to payment of amounts due under the Loan/Grant Agreement, 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 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 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 and completing 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 best 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, the Additional Funding Amount and other amounts available to the Borrower/Grantee, 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 NMSA 1978, § 72-4A-7(A)(1), as amended.

E. Together with the Loan/Grant Amount, and other amounts available to the Borrower/Grantee, the Additional Funding Amount is now available to the Borrower/Grantee, and other amounts available to the Borrower/Grantee, will be sufficient to complete the Project

and pay Expenses. If the Borrower/Grantee 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 Finance Authority, terminate and be of no further force or effect.

F. The Borrower/Grantee has met the requirements of Executive Order 2013-006 and has represented that it has met or will meet prior to the first disbursement of any portion of the Loan/Grant Amount, the Conditions and the readiness to proceed requirements established for the Loan/Grant.

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 prior to the disbursement of any portion of the Loan/Grant Amount for use for construction.

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

A. Authorization. This Resolution has been adopted by the affirmative vote of at least a majority of all of the members of the Governing Body. For the purpose of protecting the public health, conserving the property, and protecting the general welfare and prosperity of the 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 six hundred ten thousand six hundred twenty-three dollars (\$610,623) and borrowing the Loan Amount of four hundred seven thousand eighty-two dollars (\$407,082) 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 is 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 six hundred ten thousand six hundred twenty-three dollars (\$610,623) and the Loan shall be in the amount of four hundred seven thousand eighty-two dollars (\$407,082). 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 Administrator/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 and Administrative Fee 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 further approves of the deposit or crediting of a portion of the Loan/Grant Amount in the Expense Account. Until the Completion Date, the amount of the Loan/Grant credited to 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 or to pay Expenses.

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 or the earlier expiration of the time allowed for disbursement of Loan/Grant funds as provided in the Loan/Grant Agreement, 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. Finance Authority Not Responsible. Borrower/Grantee shall apply the funds derived from the Loan/Grant Agreement as provided therein, and in particular Article VII of the Loan/Grant Agreement. The Finance Authority shall not 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. Lender/Grantor shall not be liable for the refusal or failure of any other agency of the State to transfer any portion of the Loan/Grant Amount in its possession, custody and control to the Finance Authority for disbursement to the Borrower/Grantee, or to honor any request for such transfer or disbursement of the Loan/Grant Amount.

Section 9. Payment of Loan Amount. Pursuant to the Loan/Grant Agreement, the Borrower/Grantee shall pay the Loan Amount and Administrative Fee directly from the Pledged Revenues 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 and the Administrative Fee, 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 Lender/Grantor pursuant to the Act or the Colonias Infrastructure 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 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. Closing 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 Administrator/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:

*[Form of Notice of Adoption of Resolution for Publication]*

CITY OF DEMING, LUNA COUNTY, NEW MEXICO  
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. 15-16, duly adopted and approved by the City Council of the City of Deming on April 13, 2015. A complete copy of the Resolution is available for public inspection during normal and regular business hours in the office of the Administrator/Clerk, located at 309 South Gold Avenue, Deming, New Mexico 88030.

The title of the Resolution is:

CITY OF DEMING, LUNA COUNTY, NEW MEXICO  
RESOLUTION NO. 15-16

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A WATER PROJECT FUND LOAN/GRANT AGREEMENT BY AND BETWEEN THE NEW MEXICO FINANCE AUTHORITY ("FINANCE AUTHORITY") THE ("LENDER/GRANTOR") AND THE CITY OF DEMING (THE "BORROWER/GRANTEE"), IN THE TOTAL AMOUNT OF ONE MILLION SEVENTEEN THOUSAND SEVEN HUNDRED FIVE DOLLARS (\$1,017,705), EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF CONSTRUCTION OF WATER SYSTEM IMPROVEMENTS ALONG PEAR STREET FROM 8TH STREET TO NM HIGHWAY 11 TO INCLUDE REPLACEMENT OF CEMENT ASBESTOS TRANSMISSION LINES AND INSTALLATION OF THE WATER MAIN, GATE VALVES, MANHOLE ADJUSTMENTS AND PAVEMENT AND ROADWAY PATCHING, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR PAYMENT OF THE LOAN AMOUNT AND AN ADMINISTRATIVE FEE SOLELY FROM THE NET SYSTEM REVENUES OF THE WATER UTILITY SYSTEM OF THE BORROWER/GRANTEE; 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 NMSA 1978, § 6-14-6, as amended.

*[End of Form of Notice of Adoption for Publication]*

PASSED, APPROVED AND ADOPTED THIS 13TH DAY OF APRIL, 2015.



CITY OF DEMING,  
LUNA COUNTY, NEW MEXICO

By   
Benny L. Jasso, Mayor

  
Aaron Sera, Administrator/Clerk

*[Remainder of page intentionally left blank.]*