AGENDA

... for the Regular Meeting of the Farmington City Council to be held at 6:00 p.m.,
Tuesday, February 12, 2019 in the Council Chamber, City Hall, 800 Municipal Drive,
Farmington, New Mexico...

1. **Roll Call and Convening the Meeting:**

2. **Invocation:** Pastor David Florez of The Journey Church.

3. **Pledge of Allegiance:**

4. **Acceptance of Consent Agenda:** Those items on the agenda that are marked with
an asterisk (*) have been placed on the Consent Agenda and will be voted on
without discussion with one motion. If any item proposed does not meet with
approval of all Councilors or if a citizen so requests, that item will be heard under
Business from the Floor.

5. **Approval of Minutes for:**

   (a) the Regular Meeting of the City Council held January 22, 2019;

   (b) the Regular Work Session of the City Council held January 15,
       2019.

6. **Approval to Declare** worn-out, unusable or obsolete vehicles (General Services)
surplus to the needs of the City and not essential for municipal purposes,
and to authorize the City Manager or his designee to dispose of such
surplus property pursuant to State Statutes.

7. **Approval of Bid** for purchase of electrical connectors (Electric) being awarded to
the lowest and best bidders per category after application of five percent
in-state preference (Categories 1 and 3 – Western United, $57,881.83;
Category 2 – Stuart C. Irby, $46,995.20), and to reject the bid received
from Graybar Electrical for being non-responsive and not meeting
specifications. Bids opened January 29, 2019 with four bidders
participating.

8. **Approval of Cooperative Procurement** authorizing the City to become a member
of The Interlocal Purchasing System (TIPS), and to authorize the Mayor to
execute the associated proposed Interlocal Agreement.

9. **Approval of Economic Development Agreement** between the City and
Cottonwood Clinical Services, Inc. for funding in the amount of $60,000 to
renovate parking lots at 653 West Arrington Street, located within the
Metropolitan Redevelopment Area, utilizing monies from the Community
Transformation and Economic Diversification (CTED) Fund.
10. *Approval for Adoption of Resolution No. 2019-1695 authorizing the City to submit an Alcohol Detoxification Grant Application to the Department of Finance and Administration, Local Government Division, to participate in the Local Detoxification Grant Program.-----------------------------------------------5

11. *Approval of Warrants up to and including February 9, 2019.

12. Recommendation from the Planning and Zoning Commission: -----------------------------6

Acceptance of Consent Agenda: The item marked with an asterisk (*) has been placed on the Planning and Zoning Commission Consent Agenda and will be voted on without discussion. If the item does not meet with approval of all Councilors or if a citizen so requests, the item will be removed from the Consent Agenda and heard in regular order.

*(1) Adoption of the recommendation from the Planning and Zoning Commission as contained within the Community Development Department Petition Report to approve Petition No. PFP 18-101 from Rebecca Digman, represented by Sakura Engineering, requesting preliminary/final plat approval for Zetha Fritz Subdivision, a four-lot subdivision on 14.08 acres located at 501 and 505 Sandstone Avenue in the IND, Industrial, District subject to:

(a) all technical corrective changes or easements required by the Community Development Department;
(b) all technical corrective changes to the plat and construction drawings being completed and approved by the City prior to submission of the final plat for approval; and
(c) sidewalks being required along Sandstone Avenue as part of any development permit issued for properties located adjacent to Sandstone Avenue.

The recommendation of the Planning and Zoning Commission passed by a vote of 9-0 on January 24, 2019.

13. Presentation and direction to staff regarding the proposed expansion of the Park Ranger Division (Lieutenant Casey Malone and Sergeant Roque Velarde)---- 7

14. Presentation and Update regarding marketing and opportunities for the Outdoor Recreation Industry Initiative (ORII). (Cory Styron, Jim Glover and Marianne Tennebaum)

15. New Business:

(a) Mayor
(b) Councilors
(c) City Manager

(1) Recognition of Economic Development Director Warren Unsicker for being named to the national 2019 Economic Development "40 Under 40" as presented by Development Counselors International and Jorgenson Consulting.

(d) City Attorney

(e) City Clerk

(1) Ordinance No. 2019-1315 – Final Action -authorizing the issuance, sale and delivery of the City of Farmington, New Mexico Municipal Gross Receipts Tax Improvement Revenue Bonds, Series 2019, in an aggregate principal amount not to exceed $12,500,000 for the purpose of defraying the costs of designing, engineering, constructing, acquiring and improving streets and traffic improvements, and paying costs of issuance of the Series 2019 Bonds (Published January 28, 2019)

16. Business from the Floor:

(1) Items removed from Consent Agenda for discussion.

(2) Any other Business from the Floor.

17. Closed Meeting to discuss a request for qualification-based proposals for professional engineering services for water treatment plant improvements, pursuant to Section 10-15-1H(6) NMSA 1978; and to discuss acquisition of real property for utility purposes, pursuant to Section 10-15-1H(8) NMSA 1978.

18. Proposal: Recommendation from the Contracts Administrator to commence negotiations on the qualification-based proposal for professional engineering services for water treatment plant improvements (Public Works) with Jacobs Engineering Group, Inc. as the top evaluated firm after application of the five percent in-state and Veterans preferences. Proposals opened January 9, 2019 with four offerors participating.

19. Adjournment.

AGENDA ITEM SUPPORT MATERIALS ARE AVAILABLE FOR INSPECTION AND/OR PURCHASE AT THE OFFICE OF THE CITY CLERK, 800 MUNICIPAL DRIVE, FARMINGTON, NEW MEXICO.

ATTENTION PERSONS WITH DISABILITIES: The meeting room and facilities are fully accessible to persons with mobility disabilities. If you plan to attend the meeting and will need an auxiliary aid or service, please contact the City Clerk's Office at 599-1106 or 599-1101 prior to the meeting so that arrangements can be made.
CITY OF FARMINGTON
INTER-OFFICE MEMORANDUM

TO: Mayor Duckett and City Council

FROM: Kristi Benson, CPPO, CPPB
Chief Procurement Officer

DATE: February 7, 2019

SUBJECT: Declaration of Worn-Out, Unusable or Obsolete Property

USING DEPARTMENT: Vehicle Maintenance, General Services Dept.

The Central Purchasing Division of the Administrative Services Department concurs with the recommendation from the Central Warehouse and Vehicle Maintenance to declare the following Vehicles as worn-out, unusable or obsolete.

If it is determined the best disposal method for this property is through the City's internet-based Public Surplus auction system, authorization is requested to grant the Warehouse Superintendent authority to issue an immediate e-mail award notification to the highest cash bid received meeting the bidding requirements set forth.

Kristi Benson (Presenter)
City Council Meeting (2/12/2019)

Copy To:
Teresa Emrich, Acting Administrative Services Director
Brooke Quintana, Accounting, Controller
Sarah Talley, Accounting, Staff Accountant - Grants Administrator
Ross DeVargas, Accounting, Staff Accountant - Fixed Assets
Jerry Parson, Vehicle Maintenance Superintendent
Edward Smylie, General Service Director
Bob Schrag, Warehouse Superintendent
### Surplus Vehicles

<table>
<thead>
<tr>
<th>UNIT #</th>
<th>VIN / SERIAL #</th>
<th>YEAR</th>
<th>MAKE</th>
<th>MODEL / DESCRIPTION</th>
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<td>9816</td>
<td>1FMEU72E36UB24255</td>
<td>2006</td>
<td>FORD</td>
<td>EXPLORER 4X4 4DOOR</td>
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<td>2006</td>
<td>FORD</td>
<td>CROWN VIC MARKED UNIT</td>
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</table>
TO: Mayor Duckett and City Council  
FROM: Kristi Benson, CPPO, CPP  
Chief Procurement Officer  
DATE: February 5, 2018  
SUBJECT: Electrical Connectors, Bid #19-130149  
USING DEPARTMENT: Electric Utility

A bid opening was held on January 29, 2019 for Electrical Connectors. Four (4) bidders responded.

The Central Purchasing Department is rejecting the bid from Graybar Electrical as non-responsive for not meeting bid specifications.

The Central Purchasing Department concurs with the recommendation from the Electric Utility to award the bid to the following bidders, as responsible bidders submitting the lowest responsive bids meeting specifications for the categories listed below. The In-State preference was given to qualified bidders.

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>AWARDED BIDDERS</th>
<th>TOTAL AWARDED AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1: Splices, Connectors, and Lugs</td>
<td>Western United</td>
<td>$37,051.76</td>
</tr>
<tr>
<td>2: Specialty Connectors</td>
<td>Stuart C. Irby</td>
<td>$46,995.20</td>
</tr>
<tr>
<td>3: 15kV Connectors and Elbows</td>
<td>Western United</td>
<td>$20,830.07</td>
</tr>
</tbody>
</table>

Kristi Benson (Presenter)  
Council Meeting/Consent Agenda - 2/12/19

Copy to:  
Teresa Emrich, Acting Administrative Services Director  
Hank Adair, Electric Utility Director  
File – 19-130149
CITY OF FARMINGTON - ABSTRACT SCHEDULE
Electrical Connectors, Bid#19-130149

<table>
<thead>
<tr>
<th>Electric Utility</th>
<th>Western United</th>
<th>Stuart C. Irby</th>
<th>Border States Electric</th>
<th>Graybar Electrical</th>
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<tr>
<td></td>
<td>7311 La Morada</td>
<td>2417 Aztec Road</td>
<td>865 S. Browning Parkway</td>
<td>1375 W. 47th Ave</td>
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<tr>
<td></td>
<td>Albuquerque, NM 87120</td>
<td>Albuquerque, NM 87107</td>
<td>Farmington, NM 87402</td>
<td>Denver, CO 80211</td>
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<table>
<thead>
<tr>
<th>ITEM DESCRIPTION</th>
<th>A. Category 1: Splices, Connectors, and Lugs</th>
<th>B. Category 2: Specialty Connectors</th>
<th>C. Category 3: 15 KV Connectors &amp; Elbows</th>
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<tr>
<td>$37,051.76</td>
<td>$48,814.05</td>
<td>$20,830.07</td>
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<tr>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td><strong>Total Category 1 with In-State Preference</strong></td>
<td><strong>Total Category 2 with In-State Preference</strong></td>
<td><strong>Total Category 3 with In-State Preference</strong></td>
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<tr>
<td>$35,199.17</td>
<td>$46,373.35</td>
<td>$19,788.57</td>
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</tr>
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</table>

BID SIGNED: YES
IN-STATE PREFERENCE: YES
VETERANS PREFERENCE: NO
PAYMENT TERMS: NET 30
DELIVERY: 14-90 CALENDAR DAYS
TAX FORM INITIALED (if applicable): YES

Math calculation error on total for Category 1. Did not affect final outcome at bid opening.
Math calculation error on items 2C and 2AB for Category 2. Total category corrected.
Math calculation error on total for Category 3. Did not affect final outcome read at bid opening.
INTER-OFFICE MEMORANDUM

TO: Mayor Duckett and City Council
FROM: Kristi Benson, CPPO, CPPB
Chief Procurement Officer
DATE: February 7, 2019
SUBJECT: Cooperative Procurement Authorization
USING DEPARTMENT: All City Departments

The Central Purchasing Department has been researching available governmental contracts that meet the requirements of either New Mexico Statutes (NMSA) sections 13-1-135 Cooperative procurement authorized or 13-1-129 Procurement under existing contracts. This research has located a new contract opportunity the City of Farmington may utilize.

Staff Recommendation: Central Purchasing recommends becoming members of The Interlocal Purchasing System (TIPS) and is requesting:

1. The City Council accept and approve the proposed agreement between TIPS and the City of Farmington; and,
2. Authorize the Mayor to execute the original contract, as reviewed and approved by the City Attorney.

This program meets the requirements of NMSA 13-1-135. Cooperative procurement authorized.

Guidelines for future use of these programs will be restricted to those purchases that meet the following criteria: (1) the item(s) awarded in the contract will meet the City's needs for design, function and performance characteristics; (2) the price paid shall not exceed the contract price; and (3) any purchase order issued will reference the contract relied upon and have supporting documentation attached.

Kristi Benson (Presenter)
Consent Agenda/Council Meeting 2/12/2019

Copy to:
Teresa Emrich, Acting Director of Administrative Services
INTERLOCAL AGREEMENT
between
Region 8 Education Service Center
New Mexico State Agency or Local Public Body
(State Agency or Local Public Body includes, but is not limited to, School, College, University, State, City or County Office)

City of Farmington
NEW MEXICO EDUCATIONAL OR GOVERNMENT ENTITY

Region 8 Education Service Center
4845 U.S. Hwy 271 N., Pittsburg, TX 75686

The Texas Education Code § 8 et seq. created Texas Regional Education Service Centers and they are governmental entities of the State of Texas. As a “Local Government” of the State of Texas, Education Service Center, Region 8 through its department entitled, The Interlocal Purchasing System” (TIPS) offers procurement services cooperatively to other government entities throughout the United States. These competitively bid cooperative purchasing services are extended to all New Mexico eligible entities including, but not limited to, State, City and County Government Agencies. New Mexico law permits state agencies and local public bodies to participate in cooperative purchasing agreements.

New Mexico Government Authority:
Authority for such services in New Mexico is granted under New Mexico law. N.M. STAT. ANN. §13-1-135. This New Mexico law provides that a state agency or local public body may participate in, sponsor, or administer a cooperative procurement agreement for the procurement of any services, construction or items of tangible personal property with any other state agency, local public body or external procurement unit. Id. The definition of “cooperative procurement” is procurement conducted by or on behalf of more than one state agency or local public body, or by a state agency or local public body with an external procurement unit. N.M. STAT. ANN § 13-1-44. The definition of “external procurement unit” is “any procurement organization not located in this state which, if in this state, would qualify as a state agency or a local public body.” N.M. STAT. ANN § 13-1-56. A “local public body” includes, among other things, every public subdivision of the state and the agencies thereof. . . N.M. STAT. ANN § 13-1-67. A Texas regional service center is a political subdivision of the state of Texas. TEX. EDU. CODE § 8.001, et seq. Therefore, because a regional service center would be considered a “local public body” if it were located in the state of New Mexico, New Mexico public school districts, or other local governments, have statutory authority conduct cooperative purchasing with a Texas regional service center.

Texas Government Authority:
Texas Government Code § 971 (The Interlocal Cooperation Act or TICA) authorizes local government to enter into an interlocal contract with other local governmental entities or agencies of the State of Texas or a similar agency of another state to provide purchasing services.

Vision:
TIPS will become the premier purchasing cooperative in North America through developing partnerships with quality vendors, school districts, universities, colleges, all governmental entities, and public and private industry.
Mission:
Our mission is to provide a proven purchasing process through quality customer service including
timely response, legal support and effective recruitment by providing sufficient resources to include
personnel.

Purpose:
The purpose of the TIPS program shall be to continue providing substantial savings and best value for
participating educational entities or public agencies through cooperative purchasing.

Effective:
This Interlocal Agreement (hereinafter referred to as the "Agreement") is effective

February 13, 2019 and shall be automatically renewed annually unless either party gives
sixty (60) days prior written notice of non-renewal. This Agreement may be terminated without cause by
either party upon (60) days prior written notice, or may also be determined for cause at any time upon
written notice stating the reason for and effective date of such terminations and after giving the affected
party a thirty (30) day period to cure any breach.

Statement of Services to be Performed:
Region 8 Education Service Center, by this Agreement, agrees to provide competitively bid cooperative
purchasing services to the above-named public entity through a Program known as The Interlocal
Purchasing System (TIPS) Program.

Role of the TIPS Purchasing Cooperative:
1. Provide organizational and administrative structure of the TIPS Program.
2. Provide Administrative and Support Staff necessary for efficient operation of the TIPS Program.
3. Provide marketing of the TIPS program to expand membership, awarded contracts and
commodity categories.
4. Initiate and implement activities required for competitive bidding and vendor award process
including posting, advertising, collecting proposals, scoring proposals, and awarding of vendor
contracts.
5. Provide members with current awarded vendor contracts, instructions for obtaining quotes and
ordering procedures.
6. Maintain filing system for all competitive bidding procedures requirements.
7. Provide Reports as requested.
8. Maintain active membership database for awarded vendors.
9. Provide TIPS training to members and vendors upon request.

Role of the Education or Government Entity:
1. Commit to participate in the TIPS Program.
2. Designate a Primary and Technology Contact for the entity to be responsible for representing
TIPS within the organization.
3. Commit to purchase products and services from TIPS Vendor Awarded Contracts when in the
best interest of the entity. PURCHASE ORDER MUST ALWAYS BE MARKED TIPS and
EMAILLED to TIPSPS@TIPS-USA.COM for processing.
4. Accept shipments of products ordered from Awarded Vendors in accordance with standard
purchasing procedures.
5. Pay Awarded Vendors in a timely manner for all goods and services received.
6. Report any vendor issues that may arise to the TIPS Cooperative Coordinator.
General Provisions:
Both Parties agree to comply fully with all applicable federal, state, and local statutes, ordinances, rules, and regulations in connection with the programs contemplated under this Agreement. This Agreement is subject to all applicable present and future valid laws governing such programs.

This Agreement shall be governed by the laws of the State of Texas and venue shall be in the county in which the administrative offices of RESC 8 are located which is Camp County, Texas.

It is the responsibility of the Entity purchasing from TIPS to ensure that the respective State purchasing laws are being followed.

This Agreement contains the entire agreement of the Parties hereto with respect to the matters covered by its terms, and it may not be modified in any manner without the express written consent of the Parties.

If any term(s) or provision(s) of this Agreement are held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect.

Before any party may resort to litigation, any claims, disputes or other matters in question between the Parties to this Agreement shall be submitted to nonbinding mediation.

No Party to this Agreement waives or relinquishes any immunity or defense on behalf of themselves, their directors, officers, employees, and agents as a result of its execution of this Agreement and performance of the functions and obligations described herein.

This Agreement may be negotiated and transmitted between the Parties by means of a facsimile machine and the terms and conditions agreed to are binding upon the Parties.

Authorization:
Region 8 Education Service Center and The Interlocal Purchasing System (TIPS) Program have entered into an Agreement to provide competitively bid cooperative purchasing opportunities to entities as outlined above.

This Interlocal Agreement process was approved by the governing boards of the respective parties at meetings that were posted and held in accordance with the respective state Open Meetings Act. The Texas Open Meetings Act is Texas Government Code § 551.

The individuals signing below are authorized to do so by the respective parties to this Agreement.

Member Entity

City of Farmington

By: ________________________________
Authorized Signature
Nate Duckett
Print Name
Title: Mayor
Date ________________

Region 8 Education Service Center
4845 U.S. Hwy 271 N., Pittsburg, TX 75686

By: ________________________________
Authorized Signature
Print Name
Title: Executive Director Region 8 ESC
Date ________________
Rosalyn Potter
Primary Purchasing Person's Name
rpotter@fmtn.org
Primary Person's Email Address
800 Municipal Drive
Mailing Address
505-599-1365
Telephone Number
Farmington NM 87401
City State Zip
505-599-1377
Fax Number
Jennifer Rowland
Secondary Contact Name
jlrowland@fmtn.org
Secondary Contact's Email Address
ECONOMIC DEVELOPMENT AGREEMENT

by and between

THE CITY OF FARMINGTON, NEW MEXICO,

and

COTTONWOOD CLINICAL SERVICES, INC.
ECONOMIC DEVELOPMENT AGREEMENT

THIS ECONOMIC DEVELOPMENT AGREEMENT (the "Agreement") is dated as of the 30th day of January, 2019, by and between THE CITY OF FARMINGTON, NEW MEXICO, an New Mexico municipal corporation (together with its successors and assigns, the "City"); which term, when used in such context, shall also mean and refer to the area within the territorial limits of the City), and The Cottonwood Clinical Services, Inc., an New Mexico corporation, (or its successors and assigns, hereinafter called "COTTONWOOD").

WITNESSETH:

WHEREAS, COTTONWOOD is a clinical behavioral health organization that specializes in rehabilitative services for those suffering from substance abuse; and

WHEREAS, COTTONWOOD is fully renovating and improving an approximately 7,650 square foot building (hereinafter called "Facility") located in the MRA District at 653 W Arrington as shown and otherwise described in the Property Record Card, which is attached hereto and made a part hereof Exhibit A (the "Site"); and

WHEREAS, the Facility will attract upwards of 400 clients weekly to downtown Farmington and is estimated to generate in excess of $60,000 (sixty thousand and zero/100 dollars) in state GRT revenues annually, such estimates being based upon the existing Cottonwood Clinical Services locations; and

WHEREAS, it is estimated that the full redevelopment of the Facility will result in the direct employment of approximately 16 employees with an annual payroll of approximately $750,000.00 (seven hundred fifty thousand and zero/100 dollar); and

WHEREAS, the City reasonably expects that construction and operation of the Facility in the City will increase overall GRT and property tax revenues of the City; and

WHEREAS, a declared goal of the City is to encourage and facilitate economic development within and near the City by attracting new industry and commercial businesses to the Farmington area, and to promote the economic health and expansion of existing industry and commercial businesses within the City; and

WHEREAS, the City recognizes that the full development of the Facility will have both direct and indirect economic benefits for the City and through such development reasonably expects (i) to realize increased GRT revenues from services-based transactions in the City, purchases by Facility’s owners and their employees from local vendors; (ii) to realize increases in ad valorem revenues to be derived therefrom by the City, San Juan County, New Mexico ("San Juan County"), Farmington Municipal School District No. 1 of San Juan County, New Mexico, and other local and area governmental entities from time to time benefiting therefrom; (iii) that the Facility will generally enhance property values, both residential and commercial, within the City; and (iv) that the Facility's operation will otherwise contribute significantly to the economic wellbeing of the citizens of, and residents within and near, the City, and those in San Juan County and the State of New Mexico (the "State") generally; and

WHEREAS, the City also recognizes that the Facility and its operations will have additional direct and indirect economic benefits within and near the City, in San Juan County and in the State through, including without limitation, providing economic stimulus for additional employment and other development, and providing training and employment opportunities in services, medical and management skills; and
WHEREAS, the location of the Facility in this area in the City is reasonably expected to attract organizations, individuals and customers from without the City's territorial limits with the reasonably expected result of encouraging and facilitating additional economic development within and near the City, and the downtown MRA in particular; and

WHEREAS, the location of the Facility at the Site is reasonably estimated to generate, annually, an additional approximate amount of $60,000 in GRT revenues, thereby permitting the City to expand its general services; and

WHEREAS, in connection with such reasonable expectations and following extensive negotiations with COTTONWOOD, the City has determined that it is necessary and appropriate for the City to provide COTTONWOOD with certain contingent project-related development incentives in an aggregate amount of not to exceed $60,000.00 (the "Development Incentives"); and

WHEREAS, implementation of this Agreement, which is reasonably expected to facilitate the realization of the aforesaid economic benefits to the City, MRA, downtown and general area, would otherwise be difficult or impractical without certain Development Incentives, and apportionments and appropriations for such purposes of certain City GRT revenues, other forms of public assistance and the involvement of the City; and

WHEREAS, having been induced by the offer of such incentives, and contingent thereon, COTTONWOOD agrees: (a) to redevelop, construct and facilitate the operation of an approximate 7,650 square foot Facility at and on the Site; and (b) to resurface and stripe a 45 (forty-five) space parking lot, and (c) they will allow the City to utilize the aforementioned parking spaces after Facility operating hours for downtown event parking; and (d) to operate their primary operations out of this nearly renovated facility; and

WHEREAS, the City is implementing the economic development and redevelopment objectives of the City in accordance with the approved Farmington Downtown Metropolitan Redevelopment Area Plan (hereinafter referred to as the "MRA") and Farmington MRA Tax Increment Financing District; and

WHEREAS, the MRA Plan provides for economic development incentives in its budget or implementation costs in order to implement the goals of the MRA Plan; and

WHEREAS the City desires to utilize these economic development incentives for this Facility in order to reverse the condition of arrested economic development and to bring about new activity in downtown Farmington, expand economic development, and attract new businesses and cultural arts; and

WHEREAS, the City deems it appropriate to approve the execution and delivery of this Agreement in the interest of providing for the renovation of the Facility and have determined such actions are in the best interests of the City and the health, safety, and welfare of the City and residents within and near the City.

NOW, THEREFORE, in consideration of the covenants and mutual obligations herein set forth and other consideration, the sufficiency of which the parties hereby acknowledge, the parties hereto hereby covenant and agree as follows:
ARTICLE I
DEFINITIONS

"Agreement" and such terms as "herein," "hereof," "hereto," "hereby," "hereunder," and the like shall mean and refer to this Agreement, and any and all permitted supplements, modifications and/or amendments hereto.

"City" shall mean The City of Farmington, New Mexico, a New Mexico municipal corporation, and, as the case may be, shall mean and refer to such agency, department or instrumentality of the City as may have, or shall have been charged with, primary responsibility for any given Agreement-subject activity. The term "City", when used in such context, shall also mean and refer to the area within the territorial limits of the City.

"Construction Schedule" shall mean such plans, specifications, and other documentation as may be reasonably necessary to describe the nature, scope, materials, quality, quantity, and other information requisite for the construction and fitting of improvements and/or structures included, or to be included, within the Facility, subject to the same having first been agreed to and approved by the parties to this Agreement.

"Continuously Operate" or "Continuous Operation" shall mean the normal and customary operation of the Facility during regular business days and hours, subject only to temporary closures for repairs and restoration and closures reasonably outside the direct or indirect control of the owner and/or operator of such facilities (i.e., inoccupability due to casualty or condemnation).

"Development Incentives" shall mean and refer to the installment payments to be made by the City to COTTONWOOD as provided in Section 3.3 of this Agreement.

"Facility" shall mean the physical structure existing on the site at 653 W Arrington, Farmington, New Mexico.

"MRA" shall mean the boundaries of the Metropolitan Redevelopment area as prescribed in the adopted and approved Farmington Downtown Metropolitan Redevelopment Area Plan.

"Site" shall mean that certain fully integrated tract of land located in downtown Farmington and commonly identified as 653 W Arrington, Farmington, New Mexico, within the City.

ARTICLE II
NATURE OF THIS AGREEMENT

2.1 Scope of the Facility. The Facility shall be redeveloped, renovated and landscaped in conformity with all applicable portions of the City of Farmington's Municipal Code.

2.2 Relationship of the Parties. The undertakings of the parties under this Agreement require the mutual cooperation of the parties and their timely actions on matters appropriate and/or necessary to fully implement the provisions hereof. The parties agree to exercise diligent, best and good faith efforts in performing and assisting one another, and requisite third parties, in performing their respective obligations under and/or relating to this Agreement, specifically including, without limitation, the performance obligations hereinafter set forth in Articles III, IV, and V hereof.
ARTICLE III
OBLIGATIONS OF THE CITY
PERTAINING TO ECONOMIC DEVELOPMENT INCENTIVES

3.1 Development Incentives. In consideration of COTTONWOOD’S agreement to locate, and cause and effect the redevelopment of the Facility and associated Parking lot, the City agrees to pay economic development incentive payments (the "Development Incentives") from CTED funds to COTTONWOOD in an aggregate amount not to exceed $60,000.00, to be disbursed, subject to the City's annual appropriation and transfer of the appropriate funds therefore, to COTTONWOOD in installments and subject to such conditions as follows: (i) Payment of the Development Incentives shall be made as follows: (a) the first installment of $45,000.00 shall be made within thirty (30) days following COTTONWOOD’S completion of construction of the Parking lot as defined and receipt of the building permit for the Facility and the completion of physical renovation of the Facility (including, at a minimum, erection of improvements); and (b) the second installment of $15,000.00 shall be made at the time the Facility opens for business. (ii) As a condition precedent to the payment of each installment, COTTONWOOD shall furnish to the City a written report, prepared in compliance with applicable City ordinances, if any, the accuracy and correctness of which shall be certified to by an officer of COTTONWOOD, which shall be accompanied by documentation of the progress of construction and payment of the costs thereof in accordance with the Construction Plans. Notwithstanding any provisions of this Agreement to the contrary, the City shall have the right to withhold payment or payment of any portion of an installment it may reasonably contest, without obligation for delay of payment, until such time as COTTONWOOD furnishes to the City Manager such additional information and/or materials as may reasonably deem necessary to resolve its questions and/or concerns respecting such withheld amount(s). The parties expressly acknowledge and agree that the City's obligation to pay any one or more of the aforesaid installment payments as provided in this Section 3.1 shall be subject to the following: (A) the City shall have no obligation to make any installment payment unless and until COTTONWOOD shall have (x) completed construction of the Parking lot on the Site in accordance with the provisions of Section 4.5 hereof; (y) obtained the approval of the City for the completion of the renovations in accordance with all applicable portions of the City of Farmington's Municipal Code; and (z) timely completion of construction and equipping of the Facility, as required under Section 4.2 hereof; (B) the City shall have no obligation to make any installment payment after the first installment unless and until COTTONWOOD shall have effected, or caused to be effected, the agreement for after hours use of the Parking lot as required under Sections 4.5 hereof.

ARTICLE IV
OBLIGATIONS OF COTTONWOOD

4.1 Development of Premises. COTTONWOOD shall diligently undertake the preparation of the Construction Schedule for submission to the City Manager. Following submission of the Construction Schedule, including interior and exterior renovations, to the City, any of which may be amended from time to time, COTTONWOOD shall, at its sole cost, construct and equip, or cause to be constructed and equipped the Facility in accordance with the Construction Schedule.
4.2 Commencement and Completion of Construction. COTTONWOOD shall construct and equip, or shall cause to be constructed and equipped the Facility in accordance with the following schedule except to the extent of unavoidable delays (as defined in Section 7.10 hereof): a. completion date: April 15, 2019.

4.3 Obligation to Continuously Operate. COTTONWOOD shall use its best efforts to cause the Facility to be in Continuous Operation for five (5) years following the date of this Agreement.

4.4 Site Acquisition and Failure Thereof. At its sole cost and expense and within one hundred twenty (120) days next following the execution and delivery of this Agreement by the parties hereto COTTONWOOD shall have acquired, or caused to have acquired on its behalf, the fee title to the Site, which such acquisition shall be evidenced by COTTONWOOD furnishing to the City Manager a certified copy of a duly recorded general warranty deed conveying the Site to COTTONWOOD as the sole grantee, or to an entity that will own fee title to the Site, subject to an executed lease agreement wherein COTTONWOOD will own and operate the Facility.

4.5 Infrastructure improvements. At its sole cost, COTTONWOOD shall design and construct or cause to be designed and constructed all necessary Infrastructure improvements for the Site and Facility included within the COTTONWOOD Improvements in conformity with all applicable portions of the City of Farmington’s Municipal Code and State codes, ordinances and statutes. This includes the Parking lot which shall be made available to the general public after regular Facility operating hours, which shall be defined as (and may be amended with written notice to the City) Monday through Friday from 8am to 9pm and Saturdays from 10am to 2pm. To the extent that any Infrastructure improvements are made on or in public rights of way or any other lands owned by the City, title to the same, upon the completion thereof, shall vest in the City, and COTTONWOOD shall furnish, or cause to be furnished, to the City all reasonably requested instruments of release or conveyance necessary to perfect the City’s title thereto.

4.6 Right-of-Way, Easements and Land Dedication. COTTONWOOD, at its sole cost, shall dedicate, or cause to be dedicated, all right-of-way, utility easements and other necessary easements both within and without the Facility Site shown on and in accordance with all applicable portions of the City of Farmington’s Municipal Code.

4.7 Payment of Taxes. COTTONWOOD shall pay all applicable taxes when due, subject only to a good faith and reasonable right to dispute the amount due.

4.8 Development Fees. COTTONWOOD shall pay all development fees in accordance with all applicable portions of the City of Farmington’s Municipal Code.

4.9 Signage. COTTONWOOD shall diligently undertake the preparation of plans for appropriate signage, to be submitted to Community Development and subsequently the Planning & Zoning Commission (P&Z Commission) for its approval, which approvals shall not be unreasonably withheld or delayed. Following approval of the signage plans by the City of Farmington and prior to opening the Facility, shall, at its sole cost, construct and install, or cause to be constructed and installed, the signage as approved.

4.10 Contingent Payment Obligations of COTTONWOOD. In the event that COTTONWOOD fails to construct the Parking lot, renovate the Facility and/or fail to remain in Continuous Operation on or before the fifth (5th) annual anniversary of the date of this Agreement, COTTONWOOD shall repay to the City the sum of $60,000.00, to the extent those portions of Assistance have been paid to COTTONWOOD under this Agreement. Any such amount to be repaid shall be due and payable within thirty (30) days next following the first day of the month next following such fifth (5th) anniversary, unless otherwise agreed to by the parties.
4.11 Return on Investment. Per COTTONWOOD’s estimation of revenues and generation of GRT (as described herein), the sum of $60,000 in GRT revenues as paid by COTTONWOOD shall be paid by the fifth (5th) anniversary of this agreement. Should the full amount not be repaid within that time period, it shall be COTTONWOOD’s sole responsibility to repay the City the remainder of the amount prescribed above.

ARTICLE V
OBLIGATIONS OF THE CITY
PERTAINING TO REVIEW AND APPROVAL

5.1 City Approvals. The City agrees that any approvals its representative is required to make under this Agreement, whether with respect to the Facility Plan, the Construction Plans, or any other related matter, shall not be unreasonably delayed and the City agrees to coordinate its approvals of the Construction Plan and the Facility Plan. In connection herewith, the City agrees that its review and approval of the Construction Plans shall be limited in its scope, with a focus on compliance with applicable provisions of this Agreement and the City of Farmington’s Municipal Ordinance, and, to the extent appropriate, applicable provisions of state and federal law; verification of the locations and appropriate legal descriptions of necessary easements affecting the Site and the intended utilization of the Facility.

ARTICLE VI
CONSTRUCTION AND INDEMNIFICATION PROVISIONS

6.1 Indemnification. It is understood and agreed between the parties that COTTONWOOD is performing its obligations hereunder, is acting independently, and the City assumes no responsibility or liability in connection therewith to third parties, and COTTONWOOD agrees to indemnify and hold harmless the City, and its respective officers, agents and employees, from and against any and all claims, lawsuits, judgments, costs and expenses for personal injury (including death), property damage, or other harm for which recovery of damages is sought, suffered by any person or persons that may arise out of or be occasioned by any of the terms or provisions of this Agreement, or by any negligent act or omissions of COTTONWOOD or its officers, agents, associates, employees, or contractors, in the performance of COTTONWOOD’s obligations under this Agreement. The provisions of this Section 6.2 are solely for the benefit of the parties hereto and are not intended to create or grant any rights, contractual or otherwise, to any other person or entity, except as otherwise effected by an assignment by COTTONWOOD completed in accordance with Section 7.8, whereupon the parties agree and acknowledge that COTTONWOOD would thereupon be released.
ARTICLE VII
GENERAL PROVISIONS

7.1 Nondiscrimination. COTTONWOOD agrees not to discriminate on the basis of race, color, religion, gender, or national origin in the sale, lease, or rental or in the use or occupancy of the Site, the Facility or any related facilities in violation of applicable law or regulation.

7.2 Conflict of Interest: Representatives not Individually Liable. No official or employee of the City shall have any personal interest in or under this Agreement, nor shall any such person voluntarily acquire any ownership interest, direct or indirect, in any legal entity which is a party to this Agreement. No official or employee of the City shall be personally liable to COTTONWOOD in the event of any default or breach by the City or for any amount to become due to COTTONWOOD under this Agreement.

7.3 Applicable Law: Severability and Entire Agreement. This Agreement shall be governed by and construed in accordance with the laws of the State governing agreements made and fully performed in New Mexico. If any provisions of this Agreement or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, then the remainder of this Agreement or surviving portion(s) of such provision, and each other provision of this Agreement, shall be valid and enforceable to the fullest extent permitted by law. This Agreement sets forth the entire understanding between the City and COTTONWOOD with respect to the subject matters of this Agreement, there being no terms, conditions, warranties or representations with respect to the subject matter other than as contained herein.

7.4 Third Parties. Except as expressly provided otherwise in this Agreement, the provisions of this Agreement are for the exclusive benefit of the parties hereto and not for the benefit of any other persons, as third-party beneficiaries or otherwise, and this Agreement shall not be deemed to have conferred any rights express or implied, upon any other person.

7.5 Formalities and Authority. The parties hereto represent and warrant that they are validly existing and lawful entities with the power and authorization to execute and perform this Agreement. The headings set forth in this Agreement are for convenience and reference only, and in no way define or limit the scope or content of this Agreement or in any way affect its provisions.

7.6 Notices and Demands. Any notice, demand, or other communication under this Agreement shall be sufficiently given or delivered when it is deposited in the United States mail, registered or certified mail, postage prepaid, return receipt requested, or delivered personally, as follows:

To COTTONWOOD:

The Cottonwood Clinical Services, Inc.
653 W Arrington, Farmington, NM 87401
Attn: Kim Dutremaine. CEO/Clinical Director

To the City:

City Manager
The City of Farmington
800 Municipal Dr.
Farmington, New Mexico 87401
With copies to:

Jennifer Breakell, City Attorney
City of Farmington, New Mexico
800 Municipal Dr.
Farmington, New Mexico 87401

or to such other address, within the United States, with respect to a party as that party may from time to time designate in writing and forward to the others as provided in this Section. A copy of any notice, demand or other communication under this Agreement given by a party under this Agreement to any other party under this Section shall be given to each other party to this Agreement.

7.7 Assignment. Except as otherwise stated in this Section, COTTONWOOD shall not have the right to assign its rights or obligations under this Agreement without the prior written consent of the City, which shall not be unreasonably withheld or delayed. Notwithstanding the following, the parties acknowledge and agree that no consent will be required by the City as a condition for COTTONWOOD to assign its rights and obligations under this Agreement a third party for purposes of (a) obtaining financing for the project.

7.8 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns.

7.9 Modifications. This Agreement cannot be changed orally, and no executory agreement shall be effective to waive, change, modify or discharge it in whole or in part unless such executory agreement is in writing and is signed by the parties against whom enforcement of any waiver, change, modification or discharge is sought.

7.10 Unavoidable Delays. The time for performance of any term, covenant, condition, or provision of this Agreement shall be extended by any period of unavoidable delays. In this Agreement, "unavoidable delays" shall mean beyond the reasonable direct or indirect control of the party obligated to perform the applicable term, covenant, condition, or provision under this Agreement and shall include, without limiting the generality of the foregoing, delays attributable to acts of God, strikes, labor disputes, governmental restrictions, court injunctions, riot, civil commotion, acts of public enemy, and casualty, and shall not include any delays attributable to financial difficulties; provided, the assertion of any unavoidable delay shall be subject to the asserting party first giving written notice to the other parties of its claim thereof and thereupon and forthwith diligently and in good faith undertaking all reasonable efforts to overcome the conditions leading to or causing such delay.

7.11 Further Assurances. Each party agrees that it will, without further consideration, execute and deliver such other documents and take such other action, whether prior or subsequent to the consummation of the matters or completion of the undertakings set forth herein, as may be reasonably requested by any other party to consummate more effectively the purposes or subject matter of this Agreement.

7.12 Attorneys' Fees. In the event of any controversy, claim or dispute between the parties affecting or relating to the subject matter or performance of this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party all of its reasonable expenses, including reasonable attorneys' fees.

7.13 Counterparts. This Agreement may be executed in several counterparts, and all such executed counterparts shall constitute the same agreement. It shall be necessary to account for only one such counterpart in proving this Agreement.
7.14 Construction of this Agreement. Each party hereby acknowledges that it and its legal counsel have reviewed and, as the case may be, revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

IN WITNESS WHEREOF, the each of the parties has caused this Agreement to be executed by its duly authorized official(s), as of the date first above written

THE CITY OF FARMINGTON,

A municipal corporation

ATTEST: (SEAL)

By: ____________________________
    Mayor

By: ____________________________
    City Clerk

Reviewed as to form and legality this _____ day of February, 2019.

Municipal Counselor

COTTONWOOD CLINICAL SERVICES, INC.

By: ____________________________
    Name: ______________
    Title: ______________
State of New Mexico)                                      SS:  
County of __________)                                      

Before me the undersigned, a Notary Public in and for said County and State on the ___ day of ____________, 2019 personally appeared __________________ the __________________ of COTTONWOOD CLINICAL SERVICES, INC., to me known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he/she executed the same as their free and voluntary act and deed, and as the free and voluntary act and deed of said limited partnership for the uses and purposes therein set forth.

Given under my hand and seal the day and year above written.

(SEAL)

Signature of notarial officer

My commission expires:

My Number is:
RESOLUTION NO. 2019-1695

A RESOLUTION AUTHORIZING THE CITY OF FARMINGTON TO SUBMIT AN
APPLICATION TO THE DEPARTMENT OF FINANCE AND ADMINISTRATION, LOCAL
GOVERNMENT DIVISION TO PARTICIPATE IN THE LOCAL DETOXIFICATION
GRANT PROGRAM.

WHEREAS, the Legislature enacted Section 11-6A-1 through 11-6A-6
NMSA 1978 as amended to address the serious problems of Driving While
Intoxicated (DWI) in the State; and

WHEREAS, a program is established to make grant and distribution
funding available to counties and municipalities for new, innovative or
model programs, services or activities to prevent or reduce the incidence
domestic abuse related to DWI, alcoholism and alcohol abuse; and

WHEREAS, the county DWI planning council and other governmental
entities approval must be received in order to apply for grant and
distribution funding; and

WHEREAS, the County wishes to authorize the City to apply for and
administer the grant on the County’s behalf; and

WHEREAS, the City on behalf of the County along with participating
agencies is making application to the Department of Finance and
Administration, Local Government Division for program funding.

NOW THEREFORE, BE IT RESOLVED by the governing body of the City of
Farmington that the Mayor on behalf of the City and all participating
entities is authorized to submit an application for an alcohol
detoxification grant FY2020 program funding under the regulations
established by the Local Government Division.

APPROVED AND ADOPTED by the governing body at its meeting of
February 12, 2019.

Nate Duckett, Mayor

SEAL

ATTEST:

Dianne Smylie, City Clerk
FY20 LDWI Alcohol Detoxification Application
City of Farmington
Section One
Signed Forms
County/Municipality: San Juan/City of Farmington  Application Date: 2/12/2019

Program Contact Person: Edward Smylie, General Svcs Director  Fiscal Agent as listed on current W-9:
Name:  Address: 800 Municipal Drive  Contact Person:
City, Zip: Farmington, 87401  Mailing Address: 
Telephone: 505-599-1369  City, Zip: 
E-Mail: esmylie@fmtn.org  Telephone: 
E-Mail: 

Total Alcohol Detoxification Funding Request: 300,000.00

Certification:
The attached resolution adopted by the governing body of the City of Farmington on February 12, 2019
authorizes the applicant to file this application for assistance from the State of New Mexico.
To the best of my knowledge, the information presented in this application is true and correct.

Nate Duckett
Mayor, City of Farmington

Legal Department
Approved: __________________
By __________________
Date: __________________
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SAN JUAN COUNTY RESOLUTION 18-19-37

A RESOLUTION AUTHORIZING THE CITY OF FARMINGTON TO SUBMIT AN APPLICATION TO THE DEPARTMENT OF FINANCE AND ADMINISTRATION, LOCAL GOVERNMENT DIVISION, TO PARTICIPATE IN THE LOCAL DETOXIFICATION GRANT PROGRAM AND DELEGATING AUTHORITY

WHEREAS, the Legislature enacted Section 11-6A-1 through 11-6A-6 NMSA 1978 as amended to address the serious problems of Driving While Intoxicated (DWI) in the State; and

WHEREAS, a program is established to make grant and distribution funding available to counties and municipalities for new, innovative or model programs, services or activities to prevent or reduce the incidence of domestic abuse related to DWI, DWI, alcoholism and alcohol abuse; and

WHEREAS, the county DWI planning council and other governmental entities approval must be received in order to apply for grant and/or distribution funding; and

WHEREAS, the county wishes to authorize the Municipality to apply for and administer the detoxification grant on the County’s behalf; and

WHEREAS, the Municipality, on behalf of the County along with participating agencies, is making application to the Department of Finance and Administration, Local Government Division for program funding.

NOW THEREFORE, BE IT RESOLVED by the governing body of San Juan County that the City, on behalf of the County and all participating entities, is authorized to submit an application for Detoxification Grant Fiscal Year 2020 program funding under the regulations established by the Local Government Division.

APPROVED AND ADOPTED by the governing body at its meeting this 22nd day of January 2019.

BOARD OF COUNTY COMMISSIONERS
OF SAN JUAN COUNTY, NEW MEXICO

Jack L. Fortner, Chairman

ATTEST:

Tanya Shelby, County Clerk
MEMORANDUM OF UNDERSTANDING

The City of Farmington DWI Program (hereinafter referred to as the “Program”) and the New Mexico Department of Finance and Administration/Local Government Division/Driving While Intoxicated Program (hereinafter referred to as “Division”) hereby exchange the following assurances and enter into the following Memorandum of Understanding (MOU):

The Division assures:

1. That the Division is in full compliance with the provisions concerning research activities in accordance with Federal confidentiality regulations, 42 CFR 2.16 and 2.25.

2. That client identifying information will not be re-disclosed except back to the Program from which the information was obtained, or according to the terms of this MOU.

3. That in receiving, storing, processing, or otherwise dealing with any information from the Program about the clients in the Program, the Division acknowledges it is bound by the provisions of the Federal confidentiality regulations, 42 CFR Part 2.

4. That the Division shall undertake to resist any effort to obtain access to information pertaining to patients otherwise than as expressly provided for in the Federal confidentiality regulations, 42 CFR Part 2.

5. That the Division is not a “covered entity” as defined by the Department of Health and Human Services Regulations entitled “Standards for Privacy of Individually Identifiable Health Information”, 45 CFR Parts 160 and 164, implementing the Health Insurance Portability and Accountability Act of 1996 (HIPAA); (the HIPAA Regulations).

6. That the Division shall not keep treatment information or maintain any “individually identifiable health information: or transmit “protected health information” as defined by the HIPAA Regulations and in the Health Information Technology for Economic and Clinical Health Act of 2009 (HITECH Act).

The Program agrees to:

1. Upon request, provide the Agency or other parties authorized with client records for those clients provided services through the Local Government Division DWI Grant Program, for the purpose of conducting outcome
monitoring research activities, and evaluation of LDWI Program interventions.

2. If applicable, comply with the requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the Health Information Technology for Economic and Clinical Health Act of 2009 (HITECH Act) and the Department of Health and Human Services Regulation entitled "Standards for Privacy of Individually Identifiable Health Information", 45 CFR Parts 160 and 164, applicable to entities covered by HIPAA; (the HIPAA Regulations).

3. Report or transmit data to the Division that deletes and contains no "individually identifiable health information" or "protected health information" as defined by the HIPAA Regulations and the Health Information Technology for Economic and Clinical Health Act of 2009 (HITECH Act).

Executed this 12th day of February, 2019.

Rick Lopez, Director  
Department of Finance & Administration  
Local Government Division  
DWI Program  
Bataan Memorial Building, Suite 203  
Santa Fe, New Mexico 87501

Mayor, City of Farmington  
800 Municipal Drive  
Farmington, NM 87401

Date
DOH ASSURANCES AND COOPERATIVE AGREEMENT

The City of Farmington DWI Program referred to as the “Program” and the New Mexico Department of Health (DOH), Epidemiology and Response Division hereby receives the following assurances and enters into the following cooperative agreement, to carry out the requirements of the evaluation MOU between DOH and DFA:

The DOH:

1. Acknowledges that it is in full compliance with the provisions concerning research activities in Section 2.52 of Federal confidentiality regulations, 42 CFR Part 2, including:
   a. That a research protocol is maintained in accordance with the security requirements of § 2.16 of 42 CFR Part 2; and
   b. That client identifying information will not be re-disclosed except back to the Program from which the information was obtained; and no individual client will be identified in any report resulting from any epidemiologic research; and
   c. That the Epidemiology and Response Division has provided a satisfactory written statement that a group of three or more individuals who are independent of the research project has reviewed the protocol and determined that:
      (i) The rights and welfare of clients will be adequately protected; and
      (ii) The risks in disclosing client identifying information are outweighed by the potential benefits of the research.

2. Acknowledges that in receiving, storing, processing, or otherwise dealing with any information from the Program about the clients in the Program, the Epidemiology and Response Division is fully bound by the provisions of the Federal confidentiality regulations, 42 CFR Part 2: and

3. Resists any effort to obtain access to information pertaining to patients otherwise than as expressly provided for in the Federal confidentiality regulations, 42 CFR Part 2.

The Program:

1. Agrees to allow the Epidemiology and Response Division access to client records from the web based client screening and tracking system for those clients provided services through the Local Government Division DWI Grant Program, for the purpose of conducting outcome monitoring research activities.
This agreement will become effective on July 1, 2019.
This agreement will expire on June 30, 2020.

Michael Landen, MD, MPH,
State Epidemiologist and
Director Epidemiology and Response Division
New Mexico Department of Health
Harold Runnels Building
1190 St. Francis Drive
Santa Fe, NM 87502

Mayor, City of Farmington
800 Municipal Drive
Farmington, NM 87401

Date
Section Two
Application Forms
Local DWI Alcohol Detoxification Grant Application
Fiscal Year 2020

County: San Juan
Gaps, Needs and Community Participation

1. **Describe the gaps and needs in the county in relation to alcohol detoxification (detox) and treatment programs. Include how the gaps and needs have historically been addressed.**

   The communities of the Northwest Region of New Mexico (Farmington, Aztec, Bloomfield, Kirtland and Shiprock) have had long-standing issues with intoxicated persons, commonly referred to as "street inebriates", congregating on the streets and in/around businesses. In addition to substance dependent persons, a number of individuals with serious mental illness experience homelessness and mental health crisis in our community. These community members frequently require high-cost and seemingly ineffective community interventions—typically in the form of Law Enforcement/Emergency Services response, incarceration, protective custody/detox and hospital emergency department utilization. Hundreds of people with chronic addiction and mental health conditions cycle in and out of our county jail, the hospital emergency department, other (publicly-funded) crisis systems of care and homelessness—a great public expense and with limited positive human outcomes.

   Frequent users of these services generate an inordinately large share of costs and utilize scarce community resources. Research and demonstration projects conducted by hospitals, community organizations and local governments suggest that frequent users can be helped in a more effective manner through housing first programs and intensive case managements—resulting in improved lives and dramatic reductions in cost.

   The Joint Intervention Program (JIP) revealed that similar successes can be achieved right here in San Juan County. The JIP program is designed to identify people who cycle between street life, arrests, incarceration, detox and the emergency department and placing these people in intense programming—including supportive housing.

   The JIP program produces excellent outcomes. We decreased arrests by 53%, days in jail by 66%, sobering center admissions by 63% and emergency department visits by 57%.

   The JIP program serves up to 45 participants at a time and includes supportive housing. The JIP is the first effort of its kind in San Juan County to develop a collaborative, data-driven intervention targeting substance dependent adults who are frequent users of public services.

   The JIP team implements a continuum of housing support services designed to reduce the utilization of public services. The program identifies, engages, houses (if applicable) and provides: intense case managements, out-patient substance abuse treatment, psychiatric, dental, primary medical care and a comprehensive discharge program. The project includes data collection component measuring the impact of stable, supportive housing on such key health factors as substance use, chronic disease management and employment.

2. **Describe the current county alcohol detox and treatment program(s).**

   When Four Winds Recovery Center closed its Detox Center in 2016, Presbyterian Medical Services (PMS) opened the first Sobering Center in San Juan County and is currently one of the only 12 in the country. Sobering Centers are best practice models for the treatment of substance abuse. The Sobering Center operates in conjunction with the Joint Intervention Program. Any individual in San Juan County seeking
sobering services may be admitted to the Sobering Center. The Sobering Center is a collaborative program between PMS, San Juan County, the City of Farmington and San Juan Regional Medical Center.

3. **Describe how this year’s application and the proposed alcohol detox and treatment program(s) build on previous efforts. Describe the scope of work (SOW) to be completed in FY20.** Include the approximate number of people to be served. Include how staff and/or contractors will provide the proposed services.

The treatment component of JIP consists of a 6-month to 1-year treatment regimen. JIP has established partnerships with local law enforcement, jail and hospital representatives. This group works together to identify frequent users: as identified via target population section.

Farmington Police Department (FPD) and the JIP case managers locate the individuals, screen for eligibility and interest and then offer enrollment into the program (voluntary participation). Farmington Municipal Judges may also order JIP program completion as a condition of release for non-voluntary participants.

Participants receive a full screening and assessment for behavioral health issues, substance use and medical issues. If homeless, they are assigned a bed in the JIP housing unit. Participants receive an individualized comprehensive service plan. They are then assigned, in groups of 15, to a primary case manager. Participants are required to report to Totah Behavioral Health Monday – Saturday, 8am to 5pm. Intensive programming is provided during the critical time at Totah. Programming includes:

1. Individual counseling
2. Group counseling
3. Traditional Dine’ healing/counseling
4. Life-skill courses
5. Comprehensive Community Support Services

Last year JIP provided services to 59 individuals. In FY20 we hope to provide services to 65 individuals.

4. **Explain how the detox and treatment program(s) collaborate with the alcohol misuse programs operated by other public agencies/private non-profit organizations.** Describe how these collaborative efforts advance the alcohol detox and treatment program goals. Include protocols for sharing confidential client data with existing partners.

JIP is a collaborative effort between the Farmington Police Department, the City of Farmington, San Juan County Government, San Juan County Adult Detention Center, and San Juan Regional Medical Center, Presbyterian Medical Services, Totah Behavioral Health Authority and other community providers such as Four Winds Treatment Center, the DWI Treatment Center, Fire and Law Enforcement.

Additionally the JIP program works with the AmeriCorps program for skill building and community involvement, San Juan County Partnership for housing and prevention activities, Four Winds Recovery for residential treatment as needed, the PATH for shelter services and other local agencies as needed to meet any individual client needs.
5. Explain how the alcohol detox and treatment program provides services to the entire county, including rural and/or tribal entities. Include a description of the referral process to the alcohol detox and treatment program.

Referrals can be made by any agency or individual in San Juan County. Individual referrals are then paneled by the treatment provider, Totah Behavioral Health Authority (TBHA), Law Enforcement, San Juan Regional Medical Center and the Adult Detention Center to ensure basic criteria is met (i.e. frequent use of services). Once criteria is met the individual receives a full assessment and orientation to the program. Additionally the Courts may refer directly to the program.

Services are provided at no charge to the clients. The target clients are defined as men and women age 18 and over who are frequent users of services as a result of chronic public inebriation. Frequent users will be identified as those community members who have multiple: 1) Arrest, 2) Days in Jail, 3) visits to the ED, 4) visits to the Sobering Center.

6. List the names of the relevant professional organizations/associations of which the program, program staff or coordinator are members (e.g. Behavioral Health Local Collaborative). Describe how these memberships further advance the program’s alcohol detox/treatment goals.

Involvement in the following organizations and associations allows TBHA to be aware of and participate in community initiatives. It facilitates current best practices and allows for cultural connectivity.

- Dine' Medicine Men’s Association
- San Juan County Safe Communities Initiative
- Behavioral Health Local Collaborative LC-11
- Four Corners CHAP-Comprehensive Homeless Assistance Providers
- Four Corners Economic Development – Workforce Initiative Steering Committee
- Four Corners Training Consortium
- San Juan County Partnership
- Leadership San Juan
- San Juan County Community Health Improvement Council
- Collaboration for Health Equity
- New Mexico Coalition for end Homelessness
- San Juan County Mental Health Task Force
Evaluation/Performance Measures

1. List the performance measures that have been identified based on the SOW.

JIP collections data on all participants from the collaborative partners. Data includes total jail days, arrests, Sobering Center visits, Emergency Room visits and contact with Emergency services per individual per month. Success is measured by a marked decrease in these contacts.

2. Describe the mechanism for tracking the compliance and progress of individuals admitted to the program. Does the tracking system have mechanism for identifying repeat clients? Describe any changes to services offered to repeat clients.

All individuals are tracked during the program and after completion from the program as long as data is available. Repeat clients are allowed to return to the program. There is generally an increase in individual counseling and a change in group types depending on the individual service plan.

Farmington Police Department has assigned two officers work with JIP to assist with compliance and recruitment for the program. Progress is tracked by decrease in legal contacts, Sobering Center admissions, jail days and emergency room visits.

3. Describe the current program evaluation process.

a. Include the name(s) of current evaluator(s) (indicate whether they are program staff or contractors).

Data is collected and reported out by the Program Administrator, Kristine Carlson. Data comes from several agencies. Farmington Police Department, The County Sheriff’s Department, Farmington Fire Department, San Juan Regional Medical Center, San Juan County Adult Detention Center and the Sobering Center.

b. Describe the type of evaluation and the evaluation results. If the program is not currently being evaluated, explain why not?

The program is evaluated based on the number of community contacts. Data includes total jail days, arrest, Sobering Center visits, Emergency Room visits and contact with Emergency services per individual per month. Success is measured by a marked decrease in these contacts.

4. Describe how previous and/or current evaluation data are incorporated into this application.

The JIP program produces excellent outcomes. We have demonstrated decreased arrests by 53%, days in jail by 63% and emergency department visits by 57%.

5. Describe the evaluation plan for FY20.

Data will continue collected and reported out by the Program Administrator, Kristine Carlson. Data comes from several agencies. Farmington Police Department, The County Sherriff’s Department, Farmington Fire Department, San Juan Regional Medical Center, San Juan County Adult Detention Center and the Sobering Center.
Treatment and Licensure

1. Are staff trained to recognize signs and symptoms needing medical attention/oversight? What protocols are in place when medical attention is necessary?

All staff are trained in CPR, First Aid, AED and signs of addiction related illness such as alcohol poisoning. Protocols are in place to contact 911 for transport to the ER when necessary. The program also works collaboratively with the Farmington Community Health Center for primary care needs.

2. Provide a copy of licensures for any known treatment providers. IF that licensure requires supervision, be sure to include the licensure of the required supervisor. To determine whether supervision is required, please refer to the New Mexico Regulation and Licensing Department: http://www.rld.state.nm.us/uploads/files/Rule%2020Book(1).pdf

3. List all treatment interventions used by treatment provider(s). For each intervention, indicate whether it is evidence-based or a best practice research-based practice, etc. Also, describe how the alcohol detox and treatment services are culturally sensitive.

TBHA utilizes the following Evidence Based Best Practices:
- Community Reinforcement Approach (CRA)
- Community Reinforcement Approach Family Training (CRAFT)
- Matrix Model
- Trauma Informed Approach
- Motivational Interviewing
- Seeking Safety
- Wellness Recovery Action Plan (WRAP)

TBHA also employs two Traditional Counselors credentialed through the Dine’ Medicine Man’s Association. Services are provided in English, Navajo and Spanish. Individuals have access to Sweat Lodge, Talking Circle, Traditional (Navajo) Education, Drumming Circle Protection Prayers and/or Faith Based Services.
Additional Program Narrative

1. Describe the strategies used to educate community members (including county/city officials, legislators, and stakeholders) about the services provided through the alcohol detox grant.

The JIP program regularly presents data and updates to the City Council and County Commissioners. Monthly reports are provided to all stakeholders and community presentations are provided throughout the year to local community groups.

2. Include three to five letters of support from local county entities, tribal communities, associations, clients, etc. to show public participation in the planned implementation of the program’s efforts. Do not include letters from staff or contractors.

3. Are any capital outlay expenditures anticipated in FY20? IF “Yes”, please provide a justification and an estimated dollar amount.

None
## Local DWI/Detox Program Personnel

### Coordination, Planning and Evaluation:
- **Name:** Kristine L. Carlson, LCSW  
  **Title/Organization:** Program and Clinical Administrator  
  **TBHA/PMS**  
  **Address:** 1615 Ojo Court, Farmington NM 87415  
  **Phone:** 505-564-4804  
  **Cell #:** 505-320-2988  
  **Fax:** 505-564-4857  
  **Email:** kristine.carlson@pmsnm.org

### Detox/Treatment:
- **Name:** Rebecca Gale, LCSW  
  **Title/Organization:** Clinical Services Supervisor/ PMS  
  **Address:** 1615 Ojo Court, Farmington NM 87415  
  **Phone:** 505-564-4804  
  **Email:** rebecca.gale@pmsnm.org
- **Name:** Courtney Kills in Sight LMSW  
  **Title/Organization:** Substance Abuse Counselor / PMS  
  **Address:** 1615 Ojo Court, Farmington NM 87415  
  **Phone:** 505-564-4804  
  **Email:** courtney.killsinsight@pmsnm.org
- **Name:** Carlene Deal-Smith  
  **Title/Organization:** Community Support Worker / PMS  
  **Address:** 1615 Ojo Court, Farmington NM 87415  
  **Phone:** 505-564-4804  
  **Email:** carlene.deal-smith@pmsnm.org
- **Name:** Zachary Poyer  
  **Title/Organization:** Community Support Worker / PMS  
  **Address:** 1615 Ojo Court, Farmington NM 87415  
  **Phone:** 505-564-4804  
  **Email:** zachary.poyer@pmsnm.org
- **Name:** Marino Vigil LMSW  
  **Title/Organization:** Mental Health Therapist /PMS  
  **Address:** 1615 Ojo Court, Farmington NM 87415  
  **Phone:** 505-564-4804  
  **Email:** marino.vigil@pmsnm.org
- **Name:** Noreen Pichardo, LMSW, LADAC  
  **Title/Organization:** Substance Abuse Counselor/ PMS  
  **Address:** 1615 Ojo Court, Farmington NM 87415  
  **Phone:** 505-564-4804  
  **Email:** noreen.pichardo@pmsnm.org

### Other:
- **Name:**  
  **Title/Organization:**  
  **Address:**  
  **Phone:**  
  **Email:** 
## County/City Personnel

### County/City Manager:
Name: Robert Mayes  
Title/Organization: City Manager/City of Farmington  
Address: 800 Municipal Drive, Farmington, 87401  
Phone: 505-599-1114  
Fax: 505-599-8430  
Email: rmayes@fmtn.org

### Mayor:
Name: Nate Duckett  
Title/Organization: Mayor/City of Farmington  
Address: 800 Municipal Drive, Farmington, 87401  
Phone: 505-599-  
Email: nduckett@fmtn.org

### Finance:
Name: Brooke Quintana  
Title/Organization: Controller/City of Farmington  
Address: 800 Municipal Drive, Farmington, 87401  
Phone: 505-599-1210  
Email: bquintana@fmtn.org

### Other (Identify): Project Coordinator
Name: Edward Smylie  
Title/Organization: General Svcs Director/City of Farmington  
Email: esmylie@fmtn.org

### County/City Treasurer:
Name: Teresa Emrich  
Title/Organization: Treasurer/City of Farmington  
Address: 800 Municipal Drive, Farmington, 87401  
Phone: 505-599-1220  
Email: temrich@fmtn.org

### County Commission Chair:
Name:  
Title/Organization:  
Address:  
Phone:  
Email:  

### Other (Identify):
Name:  
Title/Organization:  
Email:  

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Title/Organization:  
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- 5.19 -
Section Three
Budget and Appendices
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<th>REVENUES BY</th>
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<td>Employee Benefits</td>
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<td>Program Generated Fees</td>
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<td>Judicial/Courts</td>
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<td>Other (list):</td>
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<td>Travel (In-State)</td>
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<td>Contractual Services</td>
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<td>Capital Outlay**</td>
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*Administrative is allowed only as In-Kind Match
**Capital Outlay expenditures must have prior approval from DFA/LDWI
***In-Kind Match must be at least 10% of Detox Grant Total

10% = 33,000.00

Revised: January 2019
Detox Exhibit J – Treatment
DFA/ Local Government Division LDWI Program

County: City of Farmington
Component: Total Detox Grant
Amount Requested: 300,000.00
In-Kind Match: 30,000.00

Provide cost justifications for the amount requested in treatment. Detail expenditures in each line item.

### LDWI Grant

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<th>Explanation/Justification</th>
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<td>Contractual Services</td>
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<td>Capital Outlay</td>
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Provide cost justifications for the in-kind match in treatment. Detail expenditures in each line item.

### In-Kind Match

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<td></td>
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<tr>
<td>Capital Outlay</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>
February 6, 2019

Dear LDWI Grant Reviewers,

San Juan County Partnership (SJCP) supports Presbyterian Medical Services/Totah Behavioral Health’s Joint Intervention Program in its application for funding.

SJCP operates a(n) Housing Assistance Program for those who are chronically homeless or those who are at imminent risk of homelessness. For many years, our program has collaborated with Totah Behavioral Health (TBH) to assist the relatives (clients) in placing them in housing. I have seen the positive effects of all of their programs, including the Joint Intervention Program (JIP). The Program has proven to be successful in addressing the needs of this population.

System costs have been dramatically reduced through the implementation of the JIP. It is a demonstration of what can be accomplished within communities through collaboration and service. More importantly, it is a program that improves and saves lives in San Juan County. Staff and management are dedicated to this innovative program, going above and beyond in their efforts to address the needs of this vulnerable population.

Thank you for your consideration. If you have any questions, please feel free to contact me.

Sincerely,

Pamela Drake
Executive Director
February 7, 2019

Dear LDWI Grant Reviewers,

I am part of the Joint Intervention Program (JIP) in Farmington NM. This program provides group for Substance Abuse, it also provides individual counseling, case management, Traditional and Spiritual Healing.

They help with gaining employment and housing. I have been part of this program for approximately 4 months and have benefitted from it greatly.

The program has taken me from being homeless to and on the streets to giving me tools on how to live a positive sober life. I'm gaining knowledge on how to become a productive member of society by gaining employment and having a home of my own. I greatly appreciate being able to be a part of this program. I hope this program keeps on going so that it can benefit others.

Thank you

Lori Edney

Lori Edney
February 6, 2019

Dear LDWI Grant Reviewers,

The Dine’ Medicine Men’s Association would like to support the efforts of Totah Behavioral Health Authority and their Joint Intervention Program (JIP). As a treatment provider Totah has worked hard to ensure that the cultural and spiritual needs of our relatives are met. Totah further ensures the quality of services provided by certifying their Traditional Counselors through our organization.

The effects of homelessness and substance abuse are widespread in our community. Totah has made a positive impact in reducing the cost to community while ensuring appropriate treatment is provided and available to all those seeking sobriety.

We support their request for continued funding,

Sincerely,

[Signature]

Robert Curley
President, Dine’ Medicine Men’s Association.
State of New Mexico

Regulation & Licensing Department
Counseling And Therapy Practice Board

THIS IS TO CERTIFY THAT

Noreen J. Pichardo

LICENSE NO. 0093071

Having complied with the provisions of the Professional Counseling and Therapy Act is hereby granted a license to practice Alcohol and Drug Counselor

ISSUE DATE: 05/30/2006 DATE EXPIRES: 09/30/2019

THIS CERTIFICATE MUST BE CONSPICUOUSLY POSTED IN PLACE OF BUSINESS.
State of New Mexico

Regulation & Licensing Department
Counseling And Therapy Practice Board

THIS IS TO CERTIFY THAT

Marino Vigil
LICENCE NO. 0180301

Having complied with the provisions of the Professional Counseling and Therapy Act is hereby granted a license to practice
Alcohol and Drug Counselor

ISSUE DATE: 03/14/2016 DATE EXPIRES: 09/30/2019

THIS CERTIFICATE MUST BE CONSPICUOUSLY POSTED IN PLACE OF BUSINESS.
State of New Mexico

Regulation & Licensing Department
Board of Social Work Examiners

THIS IS TO CERTIFY THAT

Marino J Vigil
LICENSE NO. M-10115

Having complied with the provisions of the Professional Social Work Act is hereby granted a license to practice

Licensed Masters Social Worker

ISSUE DATE: 09/22/2017    DATE EXPIRES: 07/01/2019

THIS CERTIFICATE MUST BE CONSPICUOUSLY POSTED IN PLACE OF BUSINESS.
State of New Mexico
Regulation & Licensing Department
Board of Social Work Examiners

THIS IS TO CERTIFY THAT

Courtney Dawn Kills In Sight

LICENSE NO. X-10837

Having complied with the provisions of the Professional Social Work Act is hereby granted a license to practice

Provisional Masters Social Worker

ISSUE DATE: 11/15/2018    DATE EXPIRES: 11/15/2019

THIS CERTIFICATE MUST BE CONSPICUOUSLY POSTED IN PLACE OF BUSINESS
State of New Mexico
Regulation & Licensing Department
Board of Social Work Examiners

THIS IS TO CERTIFY THAT

Rebecca J Gale
LICENSE NO. C-10258

Having complied with the provisions of the Professional Social Work Act is hereby granted a license to practice

Licensed Clinical Social Worker

ISSUE DATE: 02/14/2018 DATE EXPIRES: 07/01/2019

THIS CERTIFICATE MUST BE CONSPICUOUSLY POSTED IN PLACE OF BUSINESS
State of New Mexico
Regulation & Licensing Department
Board of Social Work Examiners

THIS IS TO CERTIFY THAT

Kristine Leigh Carlson
LICENSE NO. C-04772

Having complied with the provisions of the Professional Social Work Act is hereby granted a license to practice

Licensed Clinical Social Worker

ISSUE DATE: 05/18/2001        DATE EXPIRES: 07/01/2020

THIS CERTIFICATE MUST BE CONSPICUOUSLY POSTED IN PLACE OF BUSINESS
Adoption of the Planning and Zoning Commission Action as contained within the Community Development Petition Report and approval of PFP 18-101, a request from Rebecca Digman, represented by Sakura Engineering, for a Preliminary Final Plat approval of the Zetha Fritz Subdivision located at 501 and 505 Sandstone Avenue with the conditions recommended by staff:

- The approval shall be subject to any technical corrective changes, or easements required by the Community Development Department.
- All technical corrections (including noted issues in this report) to the plat and construction drawings must be completed and approved by the City prior to submittal of the mylar for signatures.
- Sidewalks will be required along Sandstone Ave as part of any development permit from those properties that are adjacent to Sandstone Ave.

(Gary Leikness)

Recommendation of approval by the Planning and Zoning Commission on January 24, 2019 which passed by a vote of 9-0.
COMMUNITY DEVELOPMENT
ACTION SUMMARY
Preliminary Plan Final Plat for Zetha Fritz Subdivision
Petition No. PFP 18-101

A. STAFF REPORT, January 24, 2019

PROJECT INFORMATION

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Rebecca Digman</th>
</tr>
</thead>
<tbody>
<tr>
<td>Representative</td>
<td>Scott Martin, Sakura Engineering</td>
</tr>
<tr>
<td>Date of Application</td>
<td>December 27, 2018</td>
</tr>
<tr>
<td>Requested Action</td>
<td>Preliminary/Final Plat Approval</td>
</tr>
<tr>
<td>Location</td>
<td>501 and 505 Sandstone Avenue, south of Southside River Rd and west of Sandstone Ave, (R0035062).</td>
</tr>
<tr>
<td>Existing Zoning</td>
<td>IND, Industrial</td>
</tr>
<tr>
<td>Surrounding Zoning and Land Use</td>
<td>North: IND Industrial/ Industrial</td>
</tr>
<tr>
<td></td>
<td>South: IND Industrial/ Industrial &amp; Residential</td>
</tr>
<tr>
<td></td>
<td>East: IND Industrial/ Industrial and ditch</td>
</tr>
<tr>
<td></td>
<td>West: IND Industrial/ Industrial</td>
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<tr>
<td>Notice</td>
<td>Preliminary/Final Plats do not require notice</td>
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<tr>
<td>Staff Planner</td>
<td>Gary Leikness, Planning Manager</td>
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SUBDIVISION INFORMATION

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<tr>
<td>Lots Yielded</td>
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<td>Lot 2- 2.23 acres</td>
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<td></td>
<td>Lot 3- 2.16 acres</td>
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<td>Lot 4- 4.29 acres</td>
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<td>Utilities</td>
<td>Water: Per City Standards</td>
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<td>Sewer: Per City Standards</td>
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<td></td>
<td>Electric: Per FEUS Engineering</td>
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<tr>
<td>Access &amp; Circulation</td>
<td>Paved streets, sidewalk along Southside River Rd. The subdivision connects to Sandstone Ave, a collector street.</td>
</tr>
<tr>
<td>Street Lights</td>
<td>Per City Standards</td>
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<tr>
<td>Street Sign</td>
<td>Per City Standards</td>
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<tr>
<td>Fire Hydrants</td>
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<td>Parks &amp; Rec.'s Fees</td>
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<td>Coordinate with USPS</td>
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GENERAL INFORMATION

The petitioner submitted a request for Preliminary/Final Plat (PFP) approval of the Zetha Fritz Subdivision, a four lot subdivision of land. The subdivision is located at 501 and 505 Sandstone Ave (R0035062), south of Southside River Rd. and west of Sandstone Ave. The San Juan County Tax Assessor's records show that Fritz and Digman Inc. owns parcel R0035062. The size of the parcel is 14.08 acres.

The PFP petition includes the proposed four (4) lots. The proposed subdivision is in the IND, Industrial District. The minimum lot size in the IND District is 7,000 square feet. The IND requires a front yard setback of 30 feet, a rear yard setback of 20 feet, an interior side yard setback of 5 feet, and a side/street side setback of 30 feet. The lot sizes for the proposed subdivision range from 2.16 acres to 4.29 acres. The applicant has agreed to dedicate 10-feet of additional right-of-way along Sandstone Avenue, a collector street, which is shown on the proposed plat.

The 2020 Future Land Use Plan of the Farmington Comprehensive Plan recommends the subject property be Light Industrial, which the property is IND, so it is consistent with Comprehensive Plan.

Review of this petition is performed in accordance with UDC 8.8.9 Major Subdivision.

ISSUES

Community Development – Mary Holton: 599-1285, mholton@fmtn.org

1) This is a petition for a Preliminary Final Plan, which is a combined/one step Preliminary Plan/Final Plat – The numbering prefix should be referenced and listed/noticed on agendas as "PFP 18-101," not PP 18-101. This is a one-step process that is typical for communities to utilize for areas that have been previously been developed. A subsequent petition to the P&Z will not be required.

Engineering Staff – Toni Sitta: 599-1399, tsitta@fmtn.org

1) Please check the legal description of Sheet 1 of 2 against the drawing on Sheet 2 of 2. They do not match.
2) Please check to make sure all the bearings and distances are labeled on Sheet 2 of 2. There appears to be missing information between Lot 1 and Lot 4.
3) Please make the 10 ft. dedicated area more distinct on the drawing.
4) Sidewalks will be required along Sandstone Ave as part of any development permit from those properties that are adjacent to Sandstone Ave.

Water/Waste Water – M. Tso: 599-1315, mtso@fmtn.org

1) Show Existing Water meters at addresses 501 & 505 Sandstone Ave.
2) Show existing sewer septic system if applicable.
3) Each lot will be required to have its own water meter service and sewer service connected to city’s utility system when developed.
4) The new lots maybe charged sewer and water mainline extension fees before connection.
5) Lots 1, 2 & 3 maybe served by a gravity sewer line installed by owners within the Sandstone Avenue R.O.W. The new sewer line will be connected to existing sewer line located at Spencer Drive or in alleyway south of Spencer Drive. Or the lots 1, 2,
& 3 can be served by a pressure sewer system at owner’s expense. The option of how to connect sewer is up to the owners/engineers, based on elevations.
6) The lots will be charged standby fees for sewer since the lots are within 600ft of existing sewer mains.

Community Development – Gary Leikness: 599-1309, gleikness@fmtn.org
1) If approved, the applicant will need to submit new copies of the PFP for review to ensure compliance with technical corrections and construction drawings, as well as issues noted in this staff report, prior to the submittal of the mylar for signatures.

STAFF CONCLUSION
Staff concludes approval of Petition 18-101, Zetha Fritz Subdivision, is appropriate, subject to technical and corrective changes as enumerated in this report.

STAFF RECOMMENDATION
The Community Development Department recommends approval of Petition 18-101, a request from Rebecca Digman, of Fritz and Digman Inc. for a preliminary/final plat of a 4-lot subdivision on 14.08 acres of land (R0035062) located at 501 and 505 Sandstone Ave (R0035062), south of Southside River Rd and west of Sandstone Ave, subject to the following conditions:

1. The approval shall be subject to any technical corrective changes, or easements required by the Community Development Department.
2. All technical corrections (including noted issues in this report) to the plat and construction drawings must be completed and approved by the City prior to submittal of the mylar for signatures.
3. Sidewalks will be required along Sandstone Ave as part of any development permit from those properties that are adjacent to Sandstone Ave.

B. On January 24, 2019, the Planning and Zoning Commission held a public meeting for PFP 18-101 and made the following findings:

1. The owners of the subject property is Rebecca Digman, of Fritz and Digman.
2. The request is for approval of a Preliminary/Final Plat (PFP) the Zetha Fritz Subdivision, a four lot subdivision of land, the total area is approximately 6.34 acres.
3. The proposed subdivision is in the IND, Industrial District.
4. The subject property is located at 501 and 505 Sandstone Ave.
5. The lot sizes for the proposed subdivision range from 2.16 acres to 4.29 acres.
6. The proposed lots will have access to paved street street, Southside River Road, and Sandstone Avenue.
7. The property is currently served by City services, such as Police and Fire, as well as water, sewer, and utilities.

8. The 2020 Future Land Use Plan of the Farmington Comprehensive Plan recommends the subject property be Light Industrial, which the property is IND, so it is consistent with Comprehensive Plan

9. The subdivision is required to comply with the Major Subdivision Application Process of Section 8.8.9 of the UDC.

Planning & Zoning Commission Discussion of Petition PFP 18-101 on January 24, 2019
Planning Manager Gary Leikness presented the staff report for PFP 18-101, a request from Rebecca Digman, represented by Sakura Engineering, for a Preliminary Final Plat, PFP, approval of the Zetha Fritz Subdivision located at 501 and 505 Sandstone Avenue. The PFP is for a four lot subdivision. The size of the parcel is 14.08 acres.

The PFP petition includes the proposed four (4) lots. The proposed subdivision is in the IND, Industrial District where the minimum lot size is 7,000 square feet. The IND District requires a front yard setback of 30 feet, a rear yard setback of 20 feet, an interior side yard setback of 5 feet, and a side/street side setback of 30 feet. The lot sizes for the proposed subdivision range from 2.16 acres to 4.29 acres. Sidewalks will be installed along Sandstone Avenue as development occurs. The applicant has agreed to dedicate 10-feet of additional right-of-way along Sandstone Avenue, a collector street, which is shown on the proposed plat.

The 2020 Future Land Use Plan of the Farmington Comprehensive Plan recommends the subject property be Light Industrial.

The Community Development Department recommends approval subject to the following conditions:

1. The approval shall be subject to any technical corrective changes, or easements required by the Community Development Department.
2. All technical corrections (including noted issues in this report) to the plat and construction drawings must be completed and approved by the City prior to submittal of the mylar for signatures.
3. Sidewalks will be required along Sandstone Ave as part of any development permit from those properties that are adjacent to Sandstone Ave.

Commissioner Davis asked what the purpose was for the 10-foot easement. Mr. Leikness said Sandstone is a collector street and it has to be widened. Sidewalks will be deferred until the lots become developed.

Commissioner Freeman asked if the property is currently being utilized by multiple people. Mr. Leikness said he did not know if it was being used by multiple people.

Commissioner Brown asked why the petitioner is doing a Preliminary Final Plat. Mr. Leikness said the property is not a lot of record, therefore, the petitioner would not be able to make improvements without coming into compliance.
A motion was made by Commissioner Langenfeld and seconded by Commissioner Ragsdale to approve Petition PFP 18-101, a request from Rebecca Digman, represented by Sakura Engineering, for a Preliminary Final Plat approval of the Zetha Fritz Subdivision located at 501 and 505 Sandstone Avenue with the following conditions:

1. The approval shall be subject to any technical corrective changes, or easements required by the Community Development Department.
2. All technical corrections (including noted issues in this report) to the plat and construction drawings must be completed and approved by the City prior to submittal of the mylar for signatures.
3. Sidewalks will be required along Sandstone Ave as part of any development permit from those properties that are adjacent to Sandstone Ave.

AYE: Chair Cardon, Commissioners Brown, Davis, Freeman, Langenfeld, Lockmiller, Mangum, Ragsdale, and Sewell.

NAY: None

Abstained: None

Absent: Commissioner Waldroup.

Motion passed 9-0
D. **Review and final action by the city council.** In determining whether to approve, approve with modifications, or deny the proposed abandonment/vacation plat, the city shall consider the following criteria:

1. Consistency with the comprehensive plan;
2. Transportation and circulation needs of nearby property, the neighborhood and the city;
3. Right-of-way needs relative to sewer, water, and stormwater facilities.

E. **Notice of decision.** Written notice of the decision to approve or approve with conditions, or deny shall be provided to the applicant within five working days of the decision, and a copy shall be filed in the office of the director.

F. **Expiration.** An abandonment/vacation application will expire automatically unless an abandonment/vacation plat is recorded in the office of the San Juan County Clerk within one (1) year from the date of the approval by city council. City council may extend an approved unexpired abandonment/vacation plat for up to a year upon the written request of the petitioner.

G. **Recordation.** Upon approval, the director shall require that the plat be recorded in the office of the San Juan County Clerk.

H. **Appeal.** Any person aggrieved by a decision of the city council pursuant to this section may appeal to district court within 15 days of the date of the decision rendered by the city council. If no appeal is filed in writing within 15 days, the decision shall be considered final.

(Ord. No. 2011-1248, § 2, 7-12-11)

8.8.8 **Plat amendment application process.**

A. **Applicability.** A resubdivision or replat shall be required for:

1. Any division of a lot or lots in a recorded subdivision resulting in an increase in the total number of lots in that subdivision;
2. Any revision or replat involving dedication, vacation or relocation of a public street or other public rights-of-way;
3. Any change in lot lines in a recorded subdivision; provided, however, that changes in lot lines, which result in only nominal increases or decreases of lot sizes, may be administratively approved pursuant to the summary subdivision application process requirements of section 8.8.5;
4. Any changes in the location of streets, easements, and other public rights-of-way; provided, however, that nominal changes may be administratively approved pursuant to the summary subdivision application process requirements of section 8.8.5; or
5. Any changes in the exterior boundary of a recorded subdivision.

B. **Review procedure.** All resubdivision and replats require application and processing in accordance with the preliminary and final plat procedures of subsection 8.8.9D. and subsection 8.8.9E., respectively.

8.8.9 **Major subdivision application process.**

A. **Applicability.** All subdivisions that do not qualify as a summary subdivision, minor plat, vacation plat, or plat amendment require application and processing in accordance with the major subdivision requirements of this section.

B. **Pre-application conference.** Prior to the submission of land use applications, applicants are encouraged to attend a preapplication conference as set forth in section 8.1.2.
C. Sketch plan review. The purpose of the sketch plan is to determine the relationship of the area proposed for subdivision with the comprehensive plan, major thoroughfare plan, and any public improvement plans that might affect the area.

(1) Application submittal. A complete application for a sketch plan, including sketch plans for the entire parcel, shall be submitted to the director as set forth in section 8.1.3.

(2) Review and final action by the director. The director shall review the application for compliance with applicable land development regulations and issue a report within ten working days.

(3) Notice of decision. Written notice of the decision to approve or approve with conditions, or deny shall be provided to the applicant within five working days of the decision, and a copy shall be filed in the office of the director.

D. Preliminary plan review.

(1) Application submittal. Within one year of the director’s review of a sketch plan, the subdivider shall submit a complete application for preliminary plan, including preliminary plans for the entire parcel, to the director as set forth in section 8.1.3.

(2) Review and recommendation by the director. The director shall review preliminary plan application and recommend approval or disapproval of the same.

(3) Review and recommendation by the commission. The commission shall review the application in a public meeting. Upon completion of the meeting, the commission shall vote to approve, approve with conditions, or deny the plat application.

(4) Review and final action by the city council.
   a. The city council shall review the preliminary plan and approve, approve with conditions or deny the application.
   b. Upon approval of the preliminary plan by the city council, the subdivider may proceed to comply with the other requirements of these regulations and the preparation of the final plat.
   c. Approval of a preliminary plan shall not constitute approval of the final plat. Application for approval of the final plat will be considered only after the requirements for final plat approval as specified herein have been fulfilled and after all other specified conditions have been met.

(5) Notice of decision. Written notice of the decision to approve or approve with conditions, or deny shall be provided to the applicant within five working days of the decision, and a copy shall be filed in the office of the director.

(6) Expiration of preliminary plan. Approval or conditional approval of a preliminary plan shall be effective for three years from the date of approval by the city council.

(7) Extensions of preliminary plan.
   a. City council may extend an approved, unexpired preliminary plan for up to two years per request where the city council finds:
      (1) There has been no significant change in development conditions affecting the subdivision plan;
      (2) The preliminary plan continues to comply with all applicable standards, including amendments approved since initial approval; and
      (3) The request shall be in writing, and the application shall state the reason and justification for the requested extension.
b. Final plat approval of each phase of an approved, phased development plan shall automatically extend preliminary plan approval for an additional two years from the date of such approval.

E. **Final plat review.** The final plat shall substantially conform to the preliminary plan as approved by the city council, incorporating all changes, modifications, corrections, and conditions imposed by the city council; and provided further, that it shall conform to all applicable requirements of this UDC.

1. **Final plat submittal.** A complete application for a final plat shall be submitted to the director as set forth in section 8.1.3, minimum submission requirements. The final plat will not be considered unless a preliminary plan has been approved.

2. **Review and recommendation by the director.** The director shall review final plat application and recommend approval or disapproval of same.

3. **Review and final action/recommendation by the commission.** The commission shall review the application in a public hearing. Upon completion of the hearing, the commission shall vote to approve, approve with conditions, or recommend denial of the plat application. If the commission finds that the plat is in substantial compliance with the applicable requirements of this UDC, the chairman of the commission shall mark and sign the plat as follows:

   Approved pursuant to major subdivision procedure of the City of Farmington UDC

   Date: __________________________

   City of Farmington Planning Commission

   By: ____________________________

   Chairman

4. **Review and final action by city council.** In the event that a final plat is recommended for denial by the commission, the city council shall review the final plat in a public meeting. Upon completion of the meeting the city council shall vote to approve, approve with conditions, or deny the plat application. Notwithstanding the provisions of subsection 8.8.9E(3), in the event of approval of a final plat by the city council, the signature block shall be modified accordingly and reflect approval by the city council and signature by the mayor.

5. **Notice of decision.** Written notice of the decision to approve or approve with conditions, or deny shall be provided to the applicant within five working days of the decision, and a copy shall be filed in the office of the director.

6. **Recordation/expiration of approval.**

   a. Upon approval by the commission, the applicant shall submit a mylar of the final plat, including all required changes to the director, and the director shall require that the plat be recorded in the office of the San Juan County Clerk. A subdivision approval shall expire automatically unless the final plat is recorded within three years of the approval or an extension is approved by the city council.

F. **Appeal.** Any person aggrieved by a decision of the city council pursuant to this section may appeal to district court within 15 days of the date of the decision rendered by the city council. If no appeal is filed within 15 days, the decision shall be considered contractually agreed to by the applicant and shall be final.

(Ord. No. 2013-1263, §§ 4, 5, 1-22-13)
# PLANNING MEMO COMMENTS SUMMARY

**PFP 18-101 401 & 505 SANDSTONE AVE (ZETHA FRITZ SD)**

**Deadline: 1/7/19**

<table>
<thead>
<tr>
<th>City of Farmington Departments</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CD</strong></td>
<td>This is a petition for a Preliminary Final Plan, which is a combined/one step Preliminary Plan/Final Plat – The numbering prefix should be referenced and listed/noticed on agendas as “PFP 18-101,” not PP 18-101. This is a one-step process that is typical for communities to utilize for areas that have been previously been developed. A subsequent petition to the P&amp;Z will not be required.</td>
</tr>
<tr>
<td><strong>Director – M. Holton</strong></td>
<td>No other comments.</td>
</tr>
<tr>
<td><strong>CD</strong></td>
<td>Addressing – Planning Division</td>
</tr>
<tr>
<td><strong>CD</strong></td>
<td>Chief Building Official – D. Childers</td>
</tr>
<tr>
<td><strong>CD</strong></td>
<td>Long Range Planner</td>
</tr>
<tr>
<td><strong>CD</strong></td>
<td>MPO</td>
</tr>
<tr>
<td><strong>CD</strong></td>
<td>Oil &amp; Gas Inspector – L. Simms</td>
</tr>
<tr>
<td><strong>CITY</strong></td>
<td>City Manager’s Office – J. Baird</td>
</tr>
<tr>
<td><strong>ELEC</strong></td>
<td>Customer Care Manager – L. Richardson</td>
</tr>
<tr>
<td><strong>ELEC</strong></td>
<td>Electrical Engineering – L. Aligabes</td>
</tr>
<tr>
<td><strong>ELEC</strong></td>
<td>T &amp; D – R. Romero</td>
</tr>
<tr>
<td><strong>FIRE</strong></td>
<td>Fire Captain – D. Doudy</td>
</tr>
<tr>
<td><strong>FIRE</strong></td>
<td>Fire Marshall – B. Vega</td>
</tr>
<tr>
<td><strong>LEGAL</strong></td>
<td>City Attorney – J. Breakell</td>
</tr>
<tr>
<td><strong>LEGAL</strong></td>
<td>Deputy City Attorney – E. Wayne</td>
</tr>
<tr>
<td><strong>POLICE</strong></td>
<td>Code Compliance – M. Romero</td>
</tr>
<tr>
<td><strong>POLICE</strong></td>
<td>Sergeant – P. Flores</td>
</tr>
<tr>
<td><strong>PRCA</strong></td>
<td>S. Reeves/ R. Crosby</td>
</tr>
<tr>
<td><strong>PRCA</strong></td>
<td>ORII – C. Styrin</td>
</tr>
<tr>
<td><strong>PW</strong></td>
<td>City Engineer – N. Westerling</td>
</tr>
<tr>
<td><strong>PW</strong></td>
<td>Engineering – T. Sitta</td>
</tr>
<tr>
<td></td>
<td>Please check the legal description of Sheet 1 of 2 against the drawing on Sheet 2 of 2. They do not match.</td>
</tr>
<tr>
<td></td>
<td>Please check to make sure all the bearings and distances are labeled on Sheet 2 of 2. There appears to be missing information between Lot 1 and Lot 4.</td>
</tr>
<tr>
<td></td>
<td>Please make the 10 ft dedicated area more distinct on the drawing.</td>
</tr>
<tr>
<td>PW</td>
<td>Streets Superintendent</td>
</tr>
<tr>
<td>----</td>
<td>------------------------</td>
</tr>
<tr>
<td>PW</td>
<td>Traffic Engineer - I. BlueEyes</td>
</tr>
</tbody>
</table>

1. Show Existing Water meters at addresses 501 & 505 Sandstone Ave.
2. Show existing sewer septic system if applicable.
3. Each lot will be required to have its own water meter service and sewer service connected to city's utility system when developed.
4. The new lots maybe charged sewer and water mainline extension fees before connection.
5. Lots 1, 2 & 3 maybe served by a gravity sewerline installed by owners within the Sandstone Avenue R.O.W. The new sewerline will be connected to existing sewerline located at Spencer Drive or in alleyway south of Spencer Drive. Or the lots 1, 2, & 3 can be served by a pressure sewer system at owners expense. The option of how to connect sewer is up to the owners/engineers, based on elevations.
6. The lots will be charged standby fees for sewer since the lots are within 600 ft of existing sewer mains.

Other Entities

<table>
<thead>
<tr>
<th>Entity</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Mexico Gas Company - R. Castillo</td>
<td>No comment</td>
</tr>
<tr>
<td>CenturyLink - D. Willato</td>
<td>No comment</td>
</tr>
<tr>
<td>Enterprise Field Services</td>
<td></td>
</tr>
<tr>
<td>Comcast Cable - M. Johnson</td>
<td></td>
</tr>
<tr>
<td>CH2MILL OMI</td>
<td></td>
</tr>
<tr>
<td>Surface Land Negotiator for BP - R. Mora</td>
<td>No comment</td>
</tr>
<tr>
<td>Farmington School District - C. Lyons</td>
<td></td>
</tr>
</tbody>
</table>
# PETITION APPLICATION

Incomplete applications will not be accepted. Return completed application to:

<table>
<thead>
<tr>
<th>Planning Division</th>
<th>Community Development Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Farmington</td>
<td>900 Municipal Drive</td>
</tr>
<tr>
<td></td>
<td>Farmington, NM 87401</td>
</tr>
<tr>
<td></td>
<td>(505) 599-1217</td>
</tr>
<tr>
<td></td>
<td>(505) 599-1299 (FAX)</td>
</tr>
</tbody>
</table>

## PROJECT TYPE (Check Those Applicable)

- Assumption and / or
- Zoning
- Preliminary Plan
- Final Plan
- Summary Plan
- Special Uses Permit
- Zone Change to _________ District
- Temporary Use Permits
- Proposed Length of Use ____________________
- Well site equipment modification

## INFORMATION

<table>
<thead>
<tr>
<th>Applicant's Name:</th>
<th>Rebecca Digman</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td>PO Box 70024, Albuquerque NM 87197</td>
</tr>
<tr>
<td>E-Mail:</td>
<td><a href="mailto:rodigman68@gmail.com">rodigman68@gmail.com</a></td>
</tr>
<tr>
<td>Telephone:</td>
<td>505-792-1680</td>
</tr>
<tr>
<td>Relationship to Property Owner:</td>
<td>Assitant of Fitz and Digman, SEE &amp; TREASURER</td>
</tr>
<tr>
<td>Assessor's Parcel I.D. and/or Tax I.D. Number:</td>
<td>2-075-171-508-229</td>
</tr>
<tr>
<td>Proposed Use:</td>
<td>Industrial</td>
</tr>
</tbody>
</table>

## PROJECT LOCATION

- 487 and 905 Sandstone Ave
- Existing Use: Industrial
- Proposed Use: Industrial

## REPRESENTATIVE / CONTACT PERSON (If other than applicant)

<table>
<thead>
<tr>
<th>Name:</th>
<th>Scott A Martin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td>PO Box 70024, Albuquerque NM 87197</td>
</tr>
<tr>
<td>E-Mail:</td>
<td><a href="mailto:sakura@sakura.com">sakura@sakura.com</a></td>
</tr>
<tr>
<td>Phone:</td>
<td>505-530-8787</td>
</tr>
</tbody>
</table>

## OWNERSHIP

<table>
<thead>
<tr>
<th>PROPERTY OWNER, (Unless General Partner, Managing Partner, Corporation President and Secretary, Stock type of owning interest: Fee, Rent, Shareholder, Officer or Member)</th>
<th>MORTGAGE HOLDERS (If any)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name: Rebecca Digman</td>
<td>Name: Phone:</td>
</tr>
<tr>
<td>Address: PO Box 70024, Albuquerque NM 87197</td>
<td>Address:</td>
</tr>
</tbody>
</table>

## OWNER CERTIFICATION

I certify that I am the owner and the information and exhibits herewith are true and correct to the best of my knowledge in filing this application, I am acting with the knowledge and consent of all persons in interest and understand that without the consent of all persons in interest the requested action cannot be accomplished. I give my permission for submitting all information to the City of Farmington or Planning and Zoning Commission to enter the project described in this application. I understand that this application will generally be reviewed by the City Council at their first regular meeting following the PUC review.

<table>
<thead>
<tr>
<th>Name: Rebecca Digman</th>
<th>Address: PO Box 70024, Albuquerque NM 87197</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner's Signature:</td>
<td><a href="mailto:rodigman68@gmail.com">rodigman68@gmail.com</a></td>
</tr>
<tr>
<td>Phone / Email:</td>
<td><a href="mailto:rodigman68@gmail.com">rodigman68@gmail.com</a></td>
</tr>
</tbody>
</table>

## STAFF USE ONLY

- Blueprint Copies of Plans
- Ownership Report (subject and surrounding properties)
- Legal Description
- Detailed Statement of Proposed Use

---

**Date: 6/15/19**

- **Received By:** [Signature]
- **Date Received:** 6/15/19
- **Fee Received:** 21504.75
- **Project File No.:** 18-101
- **Date Hearing/Meeting:** 6/21/19
<table>
<thead>
<tr>
<th>Preliminary Plan Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of Subdivision</td>
</tr>
<tr>
<td>Name, address and phone number of owner</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Name of Subdivider</td>
</tr>
<tr>
<td>Name of Person who prepared the Plan</td>
</tr>
<tr>
<td>Location of Property by Streets:</td>
</tr>
<tr>
<td>Present Zoning of Property:</td>
</tr>
<tr>
<td>Present Uses of Property</td>
</tr>
<tr>
<td>No. of Acres in Total Tract</td>
</tr>
<tr>
<td>No. of Lots</td>
</tr>
</tbody>
</table>
Parks and Downtown Security

Park Ranger Division

Vision

To assist in fostering an environment where outdoor lovers and active families thrive, the police department is actively looking for ways to increase visibility and decrease public perception of safety concerns in our parks and downtown district.
Vision (Continued)

Increase staffing in our Park Ranger Division to provide a non-police officer, uniformed presence within our most utilized parks. These Park Rangers would be acting in a high visibility Ambassador Role, focusing on public interaction and relationship building.

Areas with the highest priority

- 1 – Downtown District (Primary)
- 2 – The Riverwalk (Primary)
- 3 – Brookside Park (Secondary)
- 4 – Brookhaven Park (Secondary)
- 5 – Lake Farmington (Secondary)
The Goal

- Provide coverage in the downtown district - 7 days a week, between the hours of 0700-1700
  - Increased interaction with business owners
  - Increased interaction with patrons
  - Increased visibility with a primary focus of foot patrols

The Goal (continued)

- Provide coverage on the Riverwalk – 7 days a week, between the hours of 0700-1700 (option to change work hours depending on time of year and needs)
  - Increased interaction with those utilizing the park
  - Increased visibility
The Goal (continued)

• Provide rotating coverage at Brookside Park, Brookhaven Park and Lake Farmington (other areas as needed) – 7 days a week, between the hours of 0700-1700 (option to change work hours depending on time of year and needs)
  • Increased interaction with those utilizing these parks
  • Increased visibility

The Need

• An addition of 6 Park Ranger Positions (Immediate)
### The Cost

- Cost estimation (6 – Park Rangers)
- **Wages per person:**
  - Total Wages: $31,766.99
  - Total Benefits: $2,553.64
  - Additional Benefits (PERA, SSA, Health Ins.): $19,284.24
  - Total Expense: $53,604.87
  - Assigned Equipment per person: $2,500.00
  - **Total Personnel:** $336,629.22

---

### Cost - Continued

- **Vehicles and vehicle assigned equipment:**
  - Total Cost per vehicle: $24,722.00
  - X4: $95,888.00

- **Operating Expenditures:**
  - Training: $10,000.00
  - Fuel: $8,400.00
  - Vehicle Maintenance: $6,100.00
  - **Total:** $24,500.00
Cost - Continued

- Start-up Cost Estimate (6 – Park Rangers plus an additional Police Sergeant):
  - **Total Cost Estimate**: 620,229.22

- Reoccurring Cost Estimate (6 – Park Rangers plus an additional Police Sergeant – 67%):
  - **Total Reoccurring Cost Estimate**: 406,906.26

Conclusion

The Farmington Police Department is excited about this future endeavor and our hope is this new unit will encourage people to explore all our community has to offer.
ORDINANCE NO. 2019-1315

AN ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF THE CITY OF FARMINGTON, NEW MEXICO MUNICIPAL GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS, SERIES 2019 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $12,500,000 FOR THE PURPOSE OF DEFRAYING THE COSTS OF DESIGNING, ENGINEERING, CONSTRUCTING, ACQUIRING AND IMPROVING STREETS AND TRAFFIC IMPROVEMENTS, AND PAYING COSTS OF ISSUANCE OF THE SERIES 2019 BONDS; PROVIDING THAT THE BONDS WILL BE PAYABLE FROM MUNICIPAL GROSS RECEIPTS TAX REVENUES DISTRIBUTED TO THE CITY PURSUANT TO SECTION 7-1-6.12 NMSA 1978, PROVIDING THAT THE MATURITY DATES, PRINCIPAL AMOUNTS, INTEREST RATES, REDEMPTION PROVISIONS AND OTHER DETAILS OF THE BONDS WILL BE ESTABLISHED IN A BOND PURCHASE AGREEMENT AND PRICING CERTIFICATE, AND DELEGATING AUTHORITY TO THE CITY MANAGER AND CITY ADMINISTRATIVE SERVICES DIRECTOR TO APPROVE THE FINAL TERMS OF THE BONDS AND TO EXECUTE AND DELIVER THE BOND PURCHASE AGREEMENT; PROVIDING FOR THE EXECUTION OF THE BONDS AND OTHER DOCUMENTS AND AGREEMENTS RELATING TO THE BONDS BY AUTHORIZED OFFICERS OF THE CITY; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THERewith; AND REPEALING ALL ORDINANCES IN CONFLICT HERewith.

The City Council is informed that:

Capitalized terms used in the following preambles have the same meaning as defined in Section 1 of this Bond Ordinance unless the context requires otherwise.

WHEREAS, the City is a legally and regularly created, established, organized and existing municipal corporation under the general laws of the State of New Mexico; and

WHEREAS, pursuant to Section 7-19D-9 NMSA 1978, as amended, and Ordinance No. 2018-1312 adopted by the City Council on August 21, 2018 (“Ordinance No. 2018-1312”), the City enacted a municipal gross receipts tax in an amount equal to one-half of one percent (0.5%) of the gross receipts reported or required to be reported by persons engaging in business in the City for the month in which the tax is distributed to the City (the “Municipal Gross Receipts Tax”); and

WHEREAS, Ordinance No. 2018-1312 provides that one-quarter of the revenue derived from the Municipal Gross Receipts Tax shall be dedicated for Public Works Purposes (the “Public Works Dedication”); and

WHEREAS, pursuant to Section 7-1-6.12 NMSA 1978, the City receives monthly distributions of Municipal Gross Receipts Tax Revenues from the New Mexico Department of Taxation and Revenue equal to one half of one percent (0.5%) of the gross receipts of persons engaging in business within the City, as determined and adjusted under the Gross Receipts and Compensating Tax Act, Chapter 7, Article 9 NMSA 1978; and

WHEREAS, the City Council intends to pledge the Public Works Dedication portion of the Municipal Gross Receipts Tax, i.e. the 0.125% increment of Municipal Gross Receipts Tax (the “Pledged Revenues”) as security for repayment of the Bonds; and

WHEREAS, the Pledged Revenues are not pledged to the payment of any bonds or other obligations which are presently outstanding; and

WHEREAS, the City Council hereby determines that issuance of the Bonds for the purpose of paying costs of designing, engineering, constructing, acquiring and improving streets and traffic improvements and paying the Expenses allocable to the financing of those improvements (the “Project”) is necessary and in the interest of the City and its residents; and

WHEREAS, the City Council has determined and hereby determines that it is in the best interests of the City and its residents that the Bonds be issued with a first lien, but not an exclusive first lien, on the Pledged Revenues on parity with the lien thereon of outstanding Parity Bonds; and
WHEREAS, Section 3-31-6(C) NMSA 1978 provides:

"C. Any law which authorizes the pledge of any or all of the pledged revenues to the payment of any revenue bonds issued pursuant to Sections 3-31-1 through 3-31-12 NMSA 1978, or which affects the pledged revenues, or any law supplemental thereto or otherwise appertaining thereto, shall not be repealed or amended or otherwise directly or indirectly modified in such a manner as to impair adversely any such outstanding revenue bonds, unless such outstanding revenue bonds have been discharged in full or provision has been fully made therefor;" and

WHEREAS, the proposed form of this Bond Ordinance has been filed with the City Clerk and presented to the City Council; and

WHEREAS, the City Council anticipates that the Bonds will be sold to the New Mexico Finance Authority (the "Purchaser") pursuant to the Bond Purchase Agreement which, together with the exact principal amounts, interest rates, redemption features and other final terms of the Bonds, shall be as set forth in the Bond Purchase Agreement and Pricing Certificate, both of which shall be deemed to supplement this Bond Ordinance; and

WHEREAS, the City Council intends to delegate authority to the Mayor, the City Manager or the City Treasurer/Administrative Services Director to approve the final terms of the Bonds and to execute the Pricing Certificate, and to executed and deliver the Bond Purchase Agreement to the Purchaser, pursuant to and as authorized by as permitted by Section 6-14-10.2 NMSA 1978, on or before the date of delivery of the Bonds, setting forth the final terms of the Bonds; and

WHEREAS, forms of the Bond Purchase Agreement and contingent Intercept Agreement have been presented to the City Council in connection with this Bond Ordinance; and

WHEREAS, the City Council has determined that it is in the best interests of the City to authorize the issuance of the Bonds pursuant to this Bond Ordinance.

NOW, THEREFORE, be it ordained by the governing body of the City of Farmington:

Section 1. Definitions. As used in this Bond Ordinance, 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, including Sections 3-31-1 through 3-31-12 NMSA 1978, as amended, and enactments of the City Council relating to the Pledged Revenues and the issuance of the Bonds, including this Bond Ordinance.

"Authorized Officer" means the following officers of the City: Mayor, City Manager, City Treasurer/Administrative Services Director, or other officer of the City when designated by a certificate signed by the Mayor of the City from time to time, a certified copy of which shall be delivered to the Paying Agent and the Registrar.

"Bond Fund" has the meaning assigned to that term in Section 16 of this Bond Ordinance.

"Bond Ordinance" means this City Ordinance No. 2019-1315.

"Bond Purchase Agreement" means the bond purchase agreement between the City and the Purchaser.

"Bondholder," "holder," "owner" or "Owner" means the registered owner of any Bond as shown on the registration books of the City for the Bonds, from time to time, maintained by the Registrar. Any reference to a majority or a particular percentage or proportion of the Bondholders shall mean the Holders at the particular time of a majority or of the specified percentage or proportion in aggregate principal amount of all Bonds then outstanding.
"Bonds" means the "City of Farmington, New Mexico Municipal Gross Receipts Tax Improvement Revenue Bonds, Series 2019" authorized by this Bond Ordinance.

"Business Day" means a day on which commercial banks in the city in which the principal office of the Paying Agent and Registrar is located are open for conduct of substantially all of their business operations.

"City" means the City of Farmington, in the County of San Juan and State of New Mexico.

"City Council" means the City Council of the City or any future successor governing body of the City.

"Closing Date" means the date on which the Bonds are issued and delivered to the Purchaser.

"Closing Memorandum" means the memorandum prepared on behalf of the City by its municipal advisor which shall specify the deposit and application of proceeds of the Bonds on the Closing Date.

"Code" means the Internal Revenue Code of 1986, as amended, including, when appropriate, the statutory predecessor of the Code, and all applicable regulations whether proposed, temporary or final, including regulations issued and proposed pursuant to the statutory predecessor of the Code, and, in addition, all official rulings and judicial determinations applicable to the Bonds, and under the statutory predecessor of the Code and any successor provisions to those sections or regulations.

"Continuing Disclosure Undertaking" means the continuing disclosure undertaking with respect to the Bonds to be executed on the day of issuance and delivery of the Bonds to the Purchaser, if required.

"Costs of Issuance" or "Expenses" means all costs relating to issuance of the Bonds, including, without limitation, costs of advertising and publication, costs of preparing the Bonds, fees and expenses of the financial advisor, bond counsel, the Paying Agent, the Registrar, rating fees and other reasonable and necessary fees and costs, including applicable gross receipts taxes, related to the issuance of the Bonds.

"Event of Default" means any of the events stated in Section 28 of this Bond Ordinance.

"Fiscal Year" means the period commencing on July 1 in 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 City as its fiscal year.

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

"Hold Harmless MGRT Distribution" means the distribution to the City made pursuant to Section 7-1-6.46 NMSA 1978, as that distribution relates to one eighth of one percent (0.125%) increment of municipal gross receipts tax imposed on all persons engaging in business in the City by City Ordinance No. 2018-1312, which revenues are reduced pursuant to the deductions under Sections 7-9-92 and 7-9-93 NMSA 1978; provided that the percentage of such distribution decreases annually as provided in Section 7-1-6.46 NMSA 1978 each year beginning on July 1, 2015 until the distribution is eliminated after July 1, 2029.

"Independent Accountant" means (A) an accountant employed by the State and under supervision of the State Auditor of the State, or (B) any certified public accountant, registered accountant, or firm of such accountants duly licensed to practice and practicing as such under the laws of the State of New Mexico, appointed and paid by the City who (i) is, in fact, independent and not under the domination of the City, (ii) does not have any substantial interest, direct or indirect, with the City, and (iii) is not connected with the City as an officer or employee.
of the City, but who may be regularly retained to make annual or similar audits of the books or records of the City.

"Insured Bank" means any federally or state-chartered savings and loan association or federally or state-chartered commercial bank, the deposits of which are insured by the Federal Deposit Insurance Corporation and which has, or is the lead bank of a parent holding company which has (i) unsecured, uninsured and unguaranteed obligations which are rated AA or better by Fitch and S&P or (ii) combined capital, surplus and undivided profits of not less than $10,000,000.

"Intercept Agreement" means the agreement between the City and the Purchaser (which becomes effective only upon the City's failure to timely make payments of principal and interest on the Bonds), which provides for the direct payment by New Mexico Department of Taxation and Revenue to the Purchaser of the Pledged Revenues in amounts sufficient to pay principal and interest on the Bonds, and any amendments or supplements to the Intercept Agreement.

"Interest Payment Date" means each June 1 and December 1, commencing December 1, 2019.

"Municipal Gross Receipts Tax" means the excise tax imposed by the City pursuant to Section 7-19D-9 NMSA 1978, as amended, and Ordinance No. 2018-1312 adopted by the City Council on August 21, 2018, in an amount equal to one-half of one percent (0.5%) of the gross receipts reported or required to be reported by persons engaging in business in the City for the month in which the tax is distributed to the City.

"Municipal Gross Receipts Tax Income Fund" means the Pledged Revenue Fund established in Section 16 of this Bond Ordinance and maintained by the City.


"Outstanding" or "outstanding" when used in reference to bonds means, on any particular date, the aggregate of all Bonds delivered under this Bond Ordinance except:

A. those cancelled at or prior to such date or delivered or acquired by the City at or prior to such date for cancellation;

B. those otherwise deemed to be paid in accordance with Section 34 of this Bond Ordinance;

C. those in lieu of or in exchange or substitution for which other Bonds shall have been delivered, unless proof satisfactory to the City and the Paying Agent is presented that any Bond for which a new Bond was issued or exchanged is held by a bona fide holder or in due course.

"Parity Gross Receipts Tax Bonds" means the Bonds and any other bonds or obligations which may in the future be issued by the City with a lien on Pledged Revenues on parity with the lien thereon of the Bonds.

"Paying Agent" means the City Treasurer, as agent for the City for the payment of the Bonds or any other entity at the time appointed Paying Agent by resolution of the City Council.

"Permitted Investments" means, but only to the extent permitted by applicable laws of the State, ordinances of the City or the Investment Policy of the City, as amended from time to time, including the following:

A. Certificates of deposit issued by banks and savings and loan associations located within the geographical boundaries of the City, collateralized in accordance with this policy and with a maximum stated maturity of five (5) years.

B. Obligations of the United States Government, its agencies, or instrumentalities excluding mortgage backed securities.
which are either direct obligations of the United States or are backed by the full faith and credit of the United States Government with a maximum stated maturity of five (5) years.

C. Repurchase agreements collateralized by obligations of the U.S. Government, its agencies, or instrumentalities.

D. The New Mexico State Treasurer's Local Government Investment Pool established pursuant to Sec. 6-10-10.1 NMRA 1978, and operated by the New Mexico State Treasurer.

E. Interest bearing demand accounts in approved depositories.

"Pledged Revenues" means the revenues derived from the (i) one eighth of one percent (.125%) portion of the one-half of one percent (0.5%) municipal gross receipts tax imposed on all persons engaging in business in the City by City Ordinance No. 2018-1332, adopted on August 21, 2018, with an effective date of January 1, 2019, which portion equals, subject to the exemptions specified in Section 7-19D-9 NMRA 1978, one eighth of one percent (.125%) of the gross receipts of all persons engaging in business in the City for the month in which the tax is distributed to the City and (ii) the Hold Harmless Distribution associated with such portions provided that the City intends that Section 3-31-6(C) NMRA 1978 applies expressly to the amount of revenues pledged pursuant to the Bond Ordinance (the City is not pledging and the term "Pledged Revenues" does not include the state-shared gross receipts tax or any other local option gross receipts tax income received by the City).

"Pricing Certificate" means one or more certificates executed by the Mayor, or in the Mayor's absence, the City Manager or City Administrator, dated on or before the date of delivery of the Bonds, setting forth the following final terms of the Bonds: (i) the interest and principal payment dates; (ii) the principal amounts, denominations and maturity amortization; (iii) the sale prices; (iv) the interest rate or rates; (v) the interest payment periods; (vi) the redemption and tender provisions; (vii) the creation of any capitalized interest fund, including the size and funding of such fund(s); (viii) the amount of underwriting discount, if any; (ix) the amount of the Reserve Requirement, if any, and whether such Reserve Account shall be funded with proceeds of the Bonds or through the deposit of a Reserve Account Insurance Policy; (x) whether an Insurance Policy shall be acquired and the terms of the Insurance Policy, if any, and (xi) the final terms of agreements, if any, with agents or service providers required for the purchase, sale, issuance and delivery of the Bonds, all subject to the parameters and conditions contained in this Ordinance.

"Project" means designing, engineering, constructing, acquiring and improving streets and traffic improvements and paying the Expenses of the issuance of the Bonds.

"Purchaser" means the New Mexico Finance Authority or such other purchaser as may be designated in the Bond Purchase Agreement.

"Registrar" means the City Treasurer, as agent for the City for transfer and exchange of the Bonds or any other entity at the time appointed by resolution of the City Council.

"Related Documents" means the Bond Purchase Agreement, the Pricing Certificate, the Intercept Agreement, the Tax Compliance Certificate, and any other document or agreement containing an obligation of the City as may be required in connection with the issuance of the Bonds and the application of the proceeds thereof to the Project.

"Reserve Requirement" means the reserve requirement for the Bonds, if any, the amount and method of funding of which shall be specified in the Pricing Certificate.

"State" means the State of New Mexico.

Section 2. Ratification. All action heretofore taken (not inconsistent with the provisions of this Bond Ordinance) by the City Council and the officers of the City, directed toward the Improvement Project, the issuance of the Bonds for the Improvement Project and the
sale of the Bonds to the Purchaser be, and the same hereby is, ratified, approved and confirmed.

Section 3. Authorization of the Project. The Project and the method of financing the Improvement Project are hereby authorized and ordered at a total cost not to exceed $12,500,000 to be paid from proceeds of the Bonds.

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

A. The Project is necessary and in the best interest of the City and its residents.

B. Moneys available for the Project from all sources other than the issuance of Revenue Bonds are not sufficient to defray the cost of the Project.

D. The Pledged Revenues may lawfully be pledged to secure the payment and redemption of the Bonds.

E. It is economically feasible to defray, in part, the cost of the Project by the issuance of the Bonds.

F. The issuance of the Bonds pursuant to the Act, to provide funds to finance the costs of the Project, is necessary and in the interest of the public health, safety and welfare of the residents of the City.

Section 5. Bonds - Authorization and Detail.

A. Authorization. This Bond Ordinance has been adopted by the affirmative vote of at least three-fourths of all of the members of the City Council. For the purpose of protecting the public health, conserving the property, and protecting the general welfare and prosperity of the citizens of the City, it is hereby declared necessary that the City, pursuant to the Act, issue its negotiable, fully registered, revenue bonds to be designated the “City of Farmington, New Mexico Municipal Gross Receipts Tax Improvement Revenue Bonds, Series 2019” in an aggregate principal amount not to exceed $12,500,000 (excluding any premium paid for the Bonds by the Purchaser) and the issuance, sale and delivery of the Bonds is hereby authorized. The Bonds shall be payable and collectible, both as to principal and interest, solely from the Pledged Revenues. The Bonds shall be sold by a private sale to the Purchaser pursuant to the Bond Purchase Agreement at the price established in the Bond Purchase Agreement.

B. Parameters Authorized; Details of Bonds. There is hereby authorized and created a series of bonds designated as the City of Farmington, New Mexico Municipal Gross Receipts Tax Improvement Revenue Bonds, Series 2019.

(1) The Bonds shall be issued subject to the following parameters:

   (aa) The Bonds shall be issued in an aggregate principal amount not to exceed $12,500,000 (excluding any premium paid for the Bonds by the Purchaser) for the Project.

   (bb) The net effective interest rate on the Bonds shall not exceed 12% per annum.

   (cc) The final maturity of the Bonds shall not be later than June 1, 2039, or such other earlier date as is specified in the Bond Purchase Agreement and Pricing Certificate.

(2) The forms, terms, and provisions of the Bonds in the form set forth in Section 13 are hereby approved with only such changes therein as are not inconsistent with this Bond Ordinance and as shall be set forth in the Bond Purchase Agreement and Pricing Certificate.

(3) The Bonds shall be negotiable instruments but shall be issued only as fully registered bonds, in such numbers and
denominations as may be requested by the Purchaser, but exchangeable for other fully registered Bonds of any denominations which are multiples of $5,000. The Bonds shall be numbered separately and consecutively, shall be dated the date of their delivery to the Purchaser, shall mature on June 1 of each year and shall bear interest from the most recent date to which interest has been paid or provided for, from their date, payable semi-annually on June 1 and December 1 in each year commencing on December 1, 2019 until their respective maturities. The Bonds shall bear the rates of interest, maturities and provisions for redemption prior to maturity as shall be established in the Bond Purchase Agreement and Pricing Certificate.

Section 6. Prior Redemption.

A. Optional Redemption. Provisions for optional redemption of the Bonds shall be as established in the Bond Purchase Agreement and Pricing Certificate.

B. Notice. Notice of redemption shall be given by the Registrar by sending a copy of such notice in the manner required by the Depository or by first-class, postage prepaid mail at least thirty (30) days prior to the redemption date to the registered owner of each Bond, or portion thereof, to be redeemed at the address shown as of the close of business of the Registrar on the fifth day prior to the mailing of notice on the registration books kept by the Registrar. The City shall give notice of optional redemption of the Bonds to the Registrar at least forty-five (45) days prior to the redemption date (unless such deadline is waived by the Registrar). The Registrar's failure to give such notice to the registered owner of any Bond, or any defect therein, shall not affect the validity of the proceedings for the redemption of any Bonds for which proper notice was given. Notices of redemption shall specify the maturity dates and the number or numbers of the Bonds to be redeemed (if less than all are to be redeemed) and if less than the full amount of any Bond is to be redeemed, the amount of such Bond to be redeemed, the date fixed for redemption, and that on such redemption date there will become and be due and payable upon each Bond to be redeemed at the office of the Paying Agent the principal amount to be redeemed plus accrued interest to the redemption date and that from and after such date interest will cease to accrue on such amount. Notice having been given in the manner hereinbefore provided, the Bond or Bonds so called for redemption shall become due and payable on the redemption date so designated and if an amount of money sufficient to redeem all Bonds called for redemption shall on the redemption date be on deposit with the Paying Agent, the Bonds to be redeemed shall be deemed not outstanding and shall cease to bear interest from and after such redemption date. Upon presentation of the Bonds to be redeemed at the office of the Paying Agent, the Paying Agent will pay the Bond or Bonds so called for redemption with funds deposited with the Paying Agent by the City.

C. Conditional Redemption. If money or Defeasance Obligations (as defined in Section 34) sufficient to pay the optional redemption price of the Bonds to be called for optional redemption are not on deposit with the Paying Agent prior to the giving of notice of optional redemption pursuant to subsection B of this Section, such notice shall state such Bonds will be redeemed in whole or in part on the optional redemption date in a principal amount equal to that part of the optional redemption price received by the Paying Agent on the applicable optional redemption date. If the full amount of the optional redemption price is not received as set forth in the preceding sentence, the notice shall be effective only for those Bonds for which the optional redemption price is on deposit with the Paying Agent. If all Bonds called for optional redemption cannot be redeemed, the Bonds to be redeemed shall be selected in the manner deemed reasonable and fair by the City and the Registrar shall give notice, in the manner in which the original notice or optional redemption was given, that such money was not received and the information required by subsection B of this Section. In that event, the Registrar shall promptly return to the Owners thereof the Bonds or certificates which it has received evidencing the part thereof which have not been optionally redeemed.

Section 7. Filing of Manual Signatures. Prior to the execution of any Bond pursuant to Sections 6-9-1 to 6-9-6 NMSA 1978, as amended, the Mayor or Mayor Pro-Tem and City Clerk shall each file with the New Mexico Secretary of State his or her manual signature certified by him or her.
under oath; provided that filing shall not be necessary for any officer where any previous filing may have legal application to the Bonds.

Section 8. Execution and Authentication of Bonds.

A. Execution. The Bonds shall be signed with the engraved, imprinted, stamped or otherwise reproduced facsimile of the signature, or the manual signature, of the Mayor or Mayor Pro Tem and shall be attested with the facsimile or manual signature of the City Clerk. There shall be affixed to each Bond the printed, engraved, stamped or otherwise placed facsimile of, or imprint of, the City's corporate seal. The Bonds shall be authenticated by the manual signature of an authorized officer of the Registrar. The Bonds when executed and bearing the manual or facsimile signatures of the officers in office at the time of signing thereof shall be valid and binding special obligations of the City, notwithstanding that before delivery thereof and payment therefor, any or all of the persons whose signatures appear thereon shall have ceased to fill their respective offices. The Mayor or Mayor Pro-Tem and City Clerk, at the time of the execution of the Bonds and the signature certificate, each may adopt as and for his or her own facsimile signature, the facsimile signature of his or her predecessor in office if such facsimile signature appears upon any of the Bonds or certificates pertaining to the Bonds.

B. Authentication. No Bond shall be valid or obligatory for any purpose unless the certificate of authentication has been duly executed by the Registrar. The Registrar's certificate of authentication shall be deemed to have been fully executed if manually signed and inscribed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 9. Negotiability. The Bonds shall be fully negotiable and shall have all the qualities of negotiable paper and the Bondholders shall possess all rights enjoyed by the holders of negotiable instruments under the provisions of the Uniform Commercial Code. Except as set forth herein, the Bonds outstanding shall in all respects be equally and ratably secured, without preference, priority or distinction on account of the date or dates or the actual time or times of the issuance or maturity of the Bonds.

Section 10. Payment and Presentation of Bonds for Payment. Principal and interest on the Bonds shall be payable in lawful money of the United States of America, without deduction for exchange or collection charges. Principal shall be payable in immediately available funds at maturity or redemption thereof upon presentation and surrender of such Bond at the principal office of the Paying Agent or at the designated office of any successor Paying Agent. Upon any partial prior redemption of any Bond, the registered owner, in its discretion, may request the Registrar to authenticate a new Bond or to make a notation on the Bond indicating the date and amount of prepayment, except in the case of final maturity, in which case the Bond must be presented to the Paying Agent prior to payment. Interest on the Bonds shall be payable by check or draft mailed to the registered owner thereof (or in such other manner as may be agreed upon by the Paying Agent and the registered owner), as shown on the registration books maintained by the Registrar at the address appearing therein on the 15th day of the calendar month next preceding the Interest Payment Date (the "Record Date"). Any interest which is not timely paid or provided for shall cease to be payable to the owner thereof (or of one or more predecessor Bonds) as of the Record Date, but shall be payable to the owner thereof (or of one or more predecessor Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to Bond owners not less than ten (10) days prior thereto. If any Bond presented for payment remains unpaid at maturity or redemption, it shall continue to bear interest at the rate or rates designated in, and applicable to, such Bond from time to time. If any Bond is not presented for payment at maturity or redemption when funds available therefor have been deposited with the Paying Agent, it shall cease bearing interest on and from the date of maturity or redemption.

Section 11. Registration, Transfer, Exchange and Ownership of Bonds.
A. Registration, Transfer and Exchange. The City shall cause books for registration, transfer, and exchange of the Bonds as provided herein to be kept at the principal office of the Registrar.

Upon surrender for transfer or exchange of any fully registered Bond at the principal office of the Registrar duly endorsed by the registered owner or his attorney duly authorized in writing, or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Registrar and duly executed, the Registrar shall authenticate and deliver, not more than three (3) business days after receipt of the Bond or Bonds to be transferred, in the name of the transferee or registered owner, as appropriate, a new Bond or Bonds in authorized denominations, in fully registered form of the same aggregate principal amount, maturity and interest rate.

B. Limitations. The Registrar shall not be required to transfer or exchange any Bond (i) during the period of fifteen (15) days next preceding the mailing of notice calling any Bonds for redemption as herein provided, or (ii) after the mailing to registered owners of notice calling such Bonds or portion thereof for redemption as herein provided. The Registrar shall close books for change of registered owners' addresses on each Record Date; transfers will be permitted within the period from each Record Date to each Interest Payment Date, but such transfers shall not include a transfer of accrued interest payable.

C. Owner of the Bonds. The person in whose name any Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of either the principal or of interest on any such Bond shall be made only to or upon the order of the registered owner thereof or his legal representative as stated herein, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

D. Lost Bonds. If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such Bond, if mutilated, and such evidence, information or indemnity relating thereto as the Registrar may reasonably require, if lost, stolen or destroyed, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same maturity and interest rate, bearing a number or numbers not contemporaneously outstanding. If any such lost, stolen, destroyed or mutilated Bond shall have matured or have been called for redemption, the Registrar may request the Paying Agent to pay such bond in lieu of replacement.

E. Additional Bonds. Executed but unauthenticated Bonds are hereby authorized to be delivered to the Registrar in such quantities as may be convenient to be held in custody by the Registrar pending delivery as herein provided.

F. Charges. For each new Bond issued in connection with a transfer or exchange, the Registrar may make a charge to the owner of the Bond requesting such exchange or transfer sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

G. Successor Registrar or Paying Agent. If the Registrar or Paying Agent initially appointed hereunder shall resign or is prohibited by law from continuing as Registrar or Paying Agent, or if the City shall reasonably determine that the Registrar or Paying Agent has become incapable of fulfilling its duties hereunder, the City may, upon notice mailed to each registered owner of Bonds at the address last shown on the registration books, appoint a successor Registrar or Paying Agent, or both. Every such successor Registrar or Paying Agent shall be a bank or trust company located in and in good standing in the United States and having a shareholders' equity (e.g., capital stock, surplus and undivided profits), however denominated, not less than $50,000,000. It shall not be required that the same institution serves as both Registrar and Paying Agent hereunder, but the City shall have the right to have the same institution serve as both Registrar and Paying Agent hereunder.

H. Book-Entry. The Bonds may be issued or registered, in whole or in part, in book-entry form from time to time with no physical distribution of bond certificates made to the public, with a Depository acting as securities depository for the Bonds. A single certificate for
each maturity date of the Bonds issued in book-entry form will be delivered to the Depository and immobilized in its custody. The book-entry system will evidence ownership of the Bonds in authorized denominations, with transfer of ownership effected on the books of the Depository and its participants ("Participants"). As a condition to delivery of the Bonds in book-entry form, the Underwriters will, immediately after acceptance of delivery thereof, deposit, or cause to be deposited, the Bond certificates with the Depository, registered in the name of the Depository or its nominees. Principal, premium, if any, and interest will be paid to the Depository or its nominee as the registered owner of the Bonds. The transfer of principal, premium, if any, and interest payments to Participants will be the responsibility of the Depository; the transfer of principal, premium, if any, and interest payments to the beneficial owners of the Bonds (the "Beneficial Owners") will be the responsibility of Participants and other nominees of Beneficial Owners maintaining a relationship with Participants (the "Indirect Participants"). The City will not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Depository, Participants or Indirect Participants.

If (i) the Bonds are not eligible for the services of the Depository, (ii) the Depository determines to discontinue providing its services with respect to the Bonds or (iii) the City determines that a continuation of the system of book-entry transfers through the Depository ceases to be beneficial to the City or the Beneficial Owners, the City will either identify another Depository or certificates for the Bonds will be delivered to the Beneficial Owners or their nominees, and the Beneficial Owners or their nominees, upon authentication of Bonds and registration of those Bonds in the Beneficial Owners' or nominees' names, will become the owners of the Bonds for all purposes. In that event, the City shall mail an appropriate notice to the Depository for notification to Participants, Indirect Participants and Beneficial Owners of the substitute Depository or the issuance of bond certificates to Beneficial Owners or their nominees, as applicable.

Officers of the City are authorized to sign agreements with the Depository relating to the matters set forth in this Section.

Notwithstanding any other provision of this Bond Ordinance, so long as all of the Bonds are registered in the name of the Depository or its nominee, all payments of principal, premium, if any, and interest thereon whether at maturity or on a redemption date, together with any interest accruing thereon, shall be special limited obligations of the City and shall be payable and collectible solely from the Pledged Revenues, which revenues are so pledged and are payable as set forth in Section 19 of this Bond Ordinance. The owner or owners of the Bonds may not look to any general or other fund for the payment of the principal of or interest on such obligations, except the designated special funds pledged therefor. The Bonds shall not constitute an indebtedness or a debt of the City within the meaning of any constitutional, charter or statutory provision or limitation, nor shall they be considered or held to be general obligations of the City, and each of the Bonds shall recite that it is payable and collectible solely out of the Pledged Revenues, pledged as set forth in this Bond Ordinance, and that the holders thereof may not look to any general or other municipal fund for the payment of the principal of or interest on the Bonds. Nothing herein shall prevent the City from applying other funds of the City legally available therefor to the payment of the Bonds, in its sole discretion.

Section 13. Form of Bonds. The forms, terms and provisions of the Bonds shall be substantially in the form set forth below, with such changes therein as are not inconsistent with this Bond Ordinance.
<table>
<thead>
<tr>
<th>Bond No.</th>
<th>INTEREST RATE</th>
<th>MATURITY DATE</th>
<th>DATE OF BOND</th>
<th>PRINCIPAL AMOUNT</th>
<th>DOLLARS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% per annum</td>
<td>June 1,</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2019</td>
<td></td>
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</tr>
</tbody>
</table>

REGISTERED OWNER: NEW MEXICO FINANCE AUTHORITY

The City of Farmington (the "City"), in the County of San Juan and State of New Mexico, a municipal corporation duly organized and existing under the Constitution and laws of the State of New Mexico, for value received, hereby promises to pay, solely from the special funds available for the purpose as hereinafter set forth, to the registered owner named above or registered assigns, on the Maturity Date specified above, upon presentation and surrender hereof at the principal office of the City Treasurer, Farmington, New Mexico, as paying agent, or any successor paying agent (the "Paying Agent"), the Principal Amount stated above, in lawful money of the United States of America, and to pay from such sources interest on the unpaid principal amount at the Interest Rate on December 1, 2019 and each June 1 and December 1 of each year (each an "Interest Payment Date") thereafter to its maturity, or until redeemed if called for redemption prior to maturity. This bond will bear interest from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from its date. Interest on this bond is payable by check mailed to the registered owner hereof (or by such other arrangement as may be mutually agreed to by the Paying Agent and the registered owner) as shown on the registration books for this issue maintained by the City Treasurer, Farmington, New Mexico, as registrar, or any successor registrar (the "Registrar") at the address appearing therein at the close of business on the fifteenth day of the calendar month next preceding the Interest Payment Date (the "Record Date"). Any interest which is not timely paid or duly provided for shall cease to be payable to the owner hereof as of the Record Date but shall be payable to the owner hereof at the close of business on a special record date to be fixed by the Paying Agent for the payment of interest. The special record date shall be fixed by the Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to owners of Bonds (defined below) as then shown on the Registrar's registration books not less than ten (10) days prior to the special record date. If, upon presentation at maturity or redemption, payment of this bond is not made as herein provided, interest hereon shall continue at the Interest Rate until the principal hereof is paid in full. The principal, premium, if any, and interest on this bond are payable in lawful money of the United States of America, without deduction for the services of the Paying Agent or the Registrar.

This bond is one of a duly authorized series of fully registered bonds of the City in the aggregate principal amount of $ issued in denominations of $5,000 or integral multiples thereof, designated as the City of Farmington Municipal Gross Receipts Tax Improvement Revenue Bonds, Series 2019 (the "Bonds") issued under and pursuant to City Ordinance No. (the "Bond Ordinance").

The Bonds maturing on and after June 1, 20__, are subject to prior redemption at the City's option in one or more units of principal of $5,000 on and after June 1, 20__ in whole or in part at any time, in such order of maturities as the City may determine (and by lot if less than all of the bonds of such maturity is called, such selection by lot to be made by the Registrar in such manner considered appropriate and fair), for the principal amount of each $5,000 unit of principal so redeemed plus accrued interest to the redemption date.
Redemption shall be made upon prior notice mailed to each registered owner of each bond selected for redemption as shown on the registration books kept by the Registrar in the manner and upon the conditions provided in the Bond Ordinance.

Notice of redemption of this bond will be given by providing at least thirty (30) days prior written notice in the manner required by the depository for the Bonds or by first-class postage prepaid mail to the owner hereof at the address shown on the registration books as of the fifth day prior to the mailing of notice as provided in the Bond Ordinance. Notices of redemption will specify the number or numbers and maturity date of the Bonds to be redeemed (if less than all are to be redeemed), the date fixed for redemption, the amount of such Bond to be redeemed (if less than the full amount of any Bond is to be redeemed), and shall further state that on such redemption date there will become due and payable upon each Bond to be redeemed at the office of the Paying Agent the principal amount thereof plus accrued interest to the redemption date and that from and after such date, the redemption amount having been deposited and notice having been given, interest will cease to accrue. Upon any partial prior redemption of this bond, the registered owner, in its discretion, may request the Registrar to authenticate a new bond or to make an appropriate notation on this bond indicating the date and amount of prepayment, except in the case of final maturity, in which case this bond must be presented to the Paying Agent prior to payment.

Books for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender for transfer or exchange of a Bond at the principal office of the Registrar, duly endorsed or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar shall authenticate and deliver, not more than three (3) business days after receipt of the Bond or Bonds to be transferred, in the name of the transferee or owner a new Bond or Bonds in fully registered form of the same aggregate principal amount, maturity and interest rate, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of Bonds shall be without charge to the owner or any transferee, but the Registrar may require the payment by the owner of any Bond of any tax or other similar governmental charge required to be paid with respect to such exchange or transfer. The Registrar shall not be required (i) to transfer or exchange any Bond during the period of fifteen (15) days next preceding the mailing of notice calling any Bonds for redemption, or (ii) to transfer or exchange any Bond or part thereof called for redemption. The Registrar will close books for change of registered owners' addresses on each Record Date; transfers will be permitted within the period from each Record Date to each Interest Payment Date, but such transfers shall not include a transfer of accrued interest payable.

The person in whose name any Bond is registered on the registration books kept by the Registrar shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes except as may otherwise be provided with respect to payment of interest in the Bond Ordinance; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar will, upon receipt of such Bond, if mutilated, and such evidence, information or indemnity relating thereto as the Registrar may reasonably require, if lost, stolen or destroyed, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same maturity and interest rate, bearing a number or numbers not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated Bond shall have matured or have been called for redemption, the Registrar may direct the Paying Agent to pay such Bond in lieu of replacement.

This Bond does not constitute an indebtedness of the City within the meaning of any constitutional or statutory provision or limitation, shall not be considered or held to be a general obligation of the City, and is payable and collectible solely out of the revenues derived from the revenues from the Pledged Revenues (as such term is defined in the
Bond Ordinance) and the bondholders may not look to any other general or other municipal fund for the payment of the interest and principal of this bond. The lien of the Bonds on the Pledged Revenues is an irrevocable and first lien, but not necessarily an exclusive first lien, on the Pledged Revenues. Upon satisfaction of the conditions set forth in the Bond Ordinance, additional bonds may be issued and made payable from the Pledged Revenues having a lien thereon either on a parity with, or subordinate and junior to, the lien on the Pledged Revenues of the Bonds, but additional bonds may not be issued with a lien thereon superior to the lien thereon of the Bonds. Amounts and securities held in the Bond Fund, as such terms are defined in the Bond Ordinance, have been exclusively pledged for payment of the principal of, premium, if any, and interest on the Bonds.

The Bonds are issued to provide funds for designing, engineering, constructing, acquiring and improving streets and traffic improvements and paying the Expenses of the issuance of the Bonds.

The City covenants and agrees with the owner of this Bond and with each and every person who may become the owner hereof that it will keep and perform all of the covenants of the Bond Ordinance.

This Bond is subject to the condition, and every owner hereof by accepting the same agrees with the obligor and every subsequent owner hereof, that the principal of and interest on this bond shall be paid, and this bond is transferable, free from and without regard to any equities, set-offs or crossclaims between the obligor and the original or any other owner hereof.

It is hereby certified that all acts and conditions necessary to be done or performed by the City or to have happened precedent to and in the issuance of the Bonds to make them legal, valid and binding special obligations of the City have been performed and have happened as required by law, and that the Bonds do not exceed or violate any constitutional or statutory limitation of or pertaining to the City.

This bond shall not be valid or obligatory for any purpose until the Registrar shall have manually signed the Certificate of Authentication.

IN WITNESS WHEREOF, the City of Farmington, New Mexico has caused this bond to be signed and executed on the City's behalf with the facsimile or manual signature of the Mayor or Mayor Pro-Tem and the facsimile or manual signature of the City Clerk and has caused the corporate seal of the City or a facsimile thereof to be affixed hereon, all as of the Date of Bond.

CITY OF FARMINGTON, NEW MEXICO

By

Mayor or Mayor Pro-Tem

By

City Clerk

(SEAL)
Certificate of Authentication

This is one of the Bonds described in the Bond Ordinance, and this bond has been registered on the registration books kept by the undersigned as Registrar for the Bonds.

Date of Authentication:

City Treasurer of the City of Farmington, New Mexico, as Registrar

By

Authorized Officer

(End of Form of Registrar's Certificate of Authentication)

(Form of Assignment)

For value received, _______________________, hereby sells, assigns and transfer unto _______________________, the within bond and hereby irrevocably constitutes and appoints _______________________, attorney, to transfer the same on the books of the Registrar, with full power of substitution in the premises.

Social Security or Tax Identification No. of Assignee

Dated: _______________________

Signature Guarantee:

NOTE: The assignor's signature to this Assignment must correspond with the name as written on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

(End of Form of Assignment)

(End of Form of Bond)
Section 14. Period of Usefulness of the Project. It is hereby determined and recited that the period of usefulness of the assets financed with proceeds of the Bonds is not less than twenty (20) years.

Section 15. Use of Bond Proceeds and Other Funds; Completion of Project. Except as herein otherwise specifically provided, the proceeds derived from the sale of the Bonds, shall be used and paid solely for the valid costs of the Project.

A. Expenses. An amount necessary, together with other legally available funds of the City, shall be used to pay Expenses.

B. Program Account Deposit. The amount specified in the Closing Memorandum shall be deposited to the City’s Program Account in the Program Fund maintained on behalf of the Purchaser by BOKF, NA and applied toward costs of the Project.

Section 16. Funds and Accounts. The City hereby creates and continues the following special and separate funds and accounts:

A. Municipal Gross Receipts Tax Income Fund. So long as any of the Bonds or Parity Obligations shall be outstanding, either as to principal or interest, or both, the Pledged Revenues shall be set aside and deposited monthly into a separate fund (which shall be a segregated account) known as the “City of Farmington Municipal Gross Receipts Tax Income Fund.”

B. Bond Fund. The City of Farmington Municipal Gross Receipts Tax Improvement Revenue Bonds, Series 2019 Bond Fund is hereby established and shall be maintained by the City for the purposes described in Section 19 hereof.

C. Program Account. The City hereby consents to the establishment of the Program Account maintained on behalf of the Purchaser by BOKF, NA and applied toward costs of the Project.

Section 17. Purchaser Not Responsible. The Purchaser of the Bonds shall in no manner be responsible for the application or disposal by the City or by its officers of the funds derived from the sale thereof or any other funds herein designated.

Section 18. Reserved.

Section 19. Administration of Income Fund. So long as any of the Bonds shall remain outstanding, either as to principal or interest or both, the following payments shall be made monthly from the Pledged Revenues:

A. Bond Fund Payments. As a first charge on the Pledged Revenues, the following amounts shall be withdrawn from the Income Fund and shall be concurrently credited to the Bond Fund for the purposes described in this Section 19:

(1) Monthly, commencing on the first day of the month immediately succeeding the delivery of the Bonds, an amount in equal monthly installments necessary, together with any other moneys therein and available therefor, to pay the next maturing installment of interest on the Bonds, and monthly thereafter, commencing on each Interest Payment Date, one-sixth (1/6) of the amount necessary to pay the next maturing installment of interest on the Bonds then outstanding.

(2) Monthly, commencing on the first day of the month immediately succeeding the delivery of the Bonds, an amount in equal monthly installments necessary, together with any other moneys therein and available therefor, to pay the next maturing installment of principal of the outstanding Bonds and monthly thereafter, commencing on each principal payment date, one-twelfth (1/12) of the amount necessary to pay the next maturing installment of principal on the Bonds then outstanding.

B. Credit. In making the deposits required to be made into the Bond Fund, if there are any amounts then on deposit in the Bond Fund available for the purpose for which such deposit is to be made, the amount of the deposit to be made pursuant to subsection A above shall be reduced by the amount available in such fund for such purpose.
C. Transfer of Money out of Bond Fund. Each payment of principal and interest becoming due on the Bonds shall be transferred from the Bond Fund to the Paying Agent on or before two Business Days prior to the due date of such payment.

D. Defraying Delinquencies in the Bond Fund. If, in any month, the City shall, for any reason, fail to pay into the Bond Fund the full amount required, the difference between the amount paid and the amount so stipulated shall be paid therein from the first Pledged Revenues thereafter received and not required to be otherwise applied.

E. Payment of Parity Obligations. Concurrently with the payment of the Pledged Revenues required by subsections A and D of this Section, any amounts on deposit in the Income Fund shall be used by the City for the payment of principal of, interest on and debt service reserve fund deposits relating to outstanding Parity Gross Receipts Tax Bonds payable from such Pledged Revenues, as the same become due. If funds on deposit in the respective Income Funds are not sufficient to pay when due the required payments of principal of, interest on and debt service reserve fund deposits relating to the Bonds and any other outstanding Parity Bonds, then the available funds in the Income Fund will be used, first, on a pro-rata basis, based on the amount of principal and interest then due with respect to each series of outstanding Parity Bonds, for the payment of principal of and interest on all series of outstanding Parity Bonds and, second, to the extent of remaining available funds in the Income Funds on a pro rata basis, based on the amount of debt service reserve fund deposits then required with respect to each series of outstanding Parity Bonds, for the required debt service reserve fund deposits for all series of outstanding Parity Bonds.

F. Termination upon Deposits to Maturity. No payment shall be made into the Bond Fund if the amounts in such funds total a sum at least equal to the entire aggregate amount due as to principal, premium, if any, and interest, on the Bonds to their respective maturities or applicable redemption dates, in which case moneys in the Bond Fund to an amount at least equal to such principal and interest requirements shall be used solely to pay such obligations as the same become due, and any moneys in excess thereof in the Bond Fund may be used as provided below.

G. Payment of Subordinate Lien Obligations. Subsequent to the payments required by subsections A, D and E of this Section, any balance remaining in the Income Fund, after making the payments hereinabove provided shall be used by the City for the payment of interest on and the principal of additional bonds or other obligations, if any, having a lien on any of the Pledged Revenues subordinate to the lien thereon of the Bonds hereafter authorized, issued and sale from the Pledged Revenues, as the same become due. Payments with respect to principal, interest and reserve funds for any such subordinate lien obligations may be made at any intervals as may be provided in the ordinance or resolution authorizing such additional obligations.

H. Surplus Revenues. After making all the payments hereinabove required to be made by this Section, the remaining Pledged Revenues, if any, may be applied to any other lawful purpose, as the City may from time to time determine.

Section 20. General Administration of Funds. The funds and accounts designated in this Bond Ordinance shall be administered as follows:

A. Investment of Money. Any moneys in any fund or account designated in Sections 16 through 19 hereof may be invested in any Permitted Investment then permitted by New Mexico law, except as is provided in Section 34 hereof with respect to defeasance. The obligations so purchased as an investment of moneys in any such fund or account shall be deemed at all times to be part of said fund or account, and the interest accruing thereon and any profit realized therefrom shall be credited to the fund or account, and any loss resulting from each investment shall be charged to the fund or account. The City Treasurer shall present for redemption or sale on the prevailing market any obligations so purchased as an investment of moneys in the fund or account whenever it shall be necessary to do so in order to provide moneys to meet any payment or transfer from such fund or account.
B. Deposits of Funds and Accounts. The moneys and investments comprising each of the funds and accounts hereinabove designated in Sections 16 through 19 of this Bond Ordinance shall be maintained and kept separate from all other funds and accounts in an Insured Bank or Insured Banks. The amounts prescribed shall be paid to the appropriate funds or accounts as specified in Sections 16 through 19. Each payment shall be made into the proper bank account and credited to the proper fund or account not later than the last day designated; provided that when the designated date is a Saturday, Sunday or a legal holiday, then such payment shall be made on the next preceding business day. Nothing herein shall prevent the establishment of one such bank account or more (or consolidation with any existing bank account), for all of the funds and accounts in Sections 16 through 19 of this Bond Ordinance.

Section 21. Lien on Pledged Revenues. The Pledged Revenues and the amounts and securities on deposit in the Bond Fund, and the proceeds thereof, are hereby authorized to be pledged to, and are hereby pledged, and the City grants a security interest therein for, the payment of the principal of, premium, if any, and interest on the Bonds, subject to the uses thereof permitted by, and the priorities set forth in, this Bond Ordinance. The Bonds constitute an irrevocable and first lien, but not an exclusive first lien on the Pledged Revenues on parity with the lien thereon of additional Parity Bonds, if any, hereafter authorized to be issued and payable from the Pledged Revenues.

Section 22. Reserved.

Section 23. Additional Bonds and Other Obligations.

A. Limitations upon Issuance of Other Parity Obligations. Nothing in this Bond Ordinance contained shall be construed in such a manner as to prevent the issuance by the City of additional bonds or other obligations payable from the Pledged Revenues and constituting a lien upon said revenues on a parity with, but not prior nor superior to, the lien of the Bonds herein authorized, nor to prevent the issuance of bonds or other obligations refunding all or a part of the Bonds herein authorized, provided, however, that before any such additional Parity Obligations are authorized or actually issued, (excluding refunding bonds the proceeds of which are used to refund Parity Obligations as provided in Section 24, but including Parity refunding bonds which refund subordinate bonds or other subordinate obligations), the following conditions shall be met:

(1) The City is then current in all of the accumulations required to be made into the Bond Fund pursuant to Section 19 of this Bond Ordinance; and

(2) The Pledged Revenues received by the City for the Fiscal Year immediately preceding the date of the issuance of such additional Parity Obligations shall have been sufficient to pay an amount representing at least 200% of the combined maximum annual principal and interest coming due in any subsequent Fiscal Year on the then outstanding Bonds, all other then outstanding Parity Obligations and the Parity Obligations proposed to be issued (excluding any accumulation for reserves therefor).

For purposes of the tests set forth in clauses (1) and (2) above, if on the date of issuance of any such Parity Obligations the full amount of a reserve fund requirement for the Parity Obligations is immediately funded or capitalized from the proceeds of such Parity Obligations, the amount of such reserve fund requirement so funded shall be deducted from the principal and interest coming due in the final Fiscal Year for the proposed additional Parity Obligations.

B. Certificate or Opinion of Earnings. A written certification or opinion by an Independent Accountant or the City's Administrative Services Director that said annual Pledged Revenues for such preceding Fiscal Year are sufficient to pay the amounts set forth in Subsection A(2) of this Section, as applicable, shall be conclusively presumed to be accurate in determining the right of the City to authorize, issue, sell and deliver said additional bonds or other obligations on parity with the Bonds herein authorized.
C. Subordinate Obligations Permitted. Nothing in this Bond Ordinance contained shall be construed in such a manner as to prevent the issuance by the City of additional bonds or other obligations payable from the Pledged Revenues and constituting a lien upon said Pledged Revenues subordinate or junior in all respects to the lien of the Bonds herein authorized.

D. Superior Obligations Prohibited. Nothing herein contained shall be construed so as to permit the City to issue bonds or other obligations payable from the Pledged Revenues having a lien thereon prior and superior to the Bonds.

Section 24. Refunding Bonds. The provisions of Section 23 hereof are subject to the following exceptions:

A. Privilege of Issuing Refunding Obligations. If at any time after the Bonds, or any part thereof, shall have been issued and remain outstanding, the City shall find it desirable to refund any outstanding bonds or other outstanding obligations payable from Pledged Revenues, such bonds or other obligations, or any part thereof, may be refunded (but only with the consent of the registered owner or owners thereof, unless the bonds or other obligations, at the time of their required surrender for payment shall then mature, or shall then be callable for prior redemption at the City's option), regardless of whether the priority of the lien for the payment of the refunding obligations on the Pledged Revenues is changed (except as provided in subsection D of Section 23 and in subsections B and C of this Section).

B. Limitations Upon Issuance of Parity Refunding Obligations. No refunding bonds or other refunding obligations payable from the Pledged Revenues shall be issued on parity with the Bonds herein authorized, unless:

1. The lien on the Pledged Revenues of the outstanding obligations so refunded is on a parity with the lien thereon of the Bonds herein authorized; or
2. The refunding bonds or other refunding obligations are issued in compliance with Subsection A of Section 23 hereof.

C. Refunding Part of an Issue. The refunding bonds or other obligations so issued shall enjoy complete equality of lien with the portion of any bonds or other obligations of the same issue which is not refunded, if any there be; and the registered owner or owners of such refunding bonds or other refunding obligations shall be subrogated to all of the rights and privileges enjoyed by the registered owner or owners of the bonds or other obligations of the same issue refunded thereby.

D. Limitations Upon Issuance of any Refunding Obligations. Any refunding bonds or other refunding obligations payable from the Pledged Revenues shall be issued with such details as the City may by ordinance or resolution provide, subject to the inclusion of any such rights and privileges designated in Subsection C of this Section, but without any impairment of any contractual obligations imposed upon the City by any proceedings authorizing the issuance of any unrefunded portion of such outstanding obligations of any one or more issues (including but not necessarily limited to the issue herein authorized). If only a part of the outstanding bonds and any other outstanding obligations of any issue or issues payable from the Pledged Revenues is refunded, then such obligations may not be refunded without the consent of the registered owner or owners of the unrefunded portion of such obligations, unless:

1. The refunding bonds or other refunding obligations do not increase any aggregate annual principal and interest requirements evidenced by such refunding obligations and by the outstanding obligations not refunded on and prior to the last maturity date of such unrefunded obligations, or
2. The refunding bonds or other refunding obligations are issued in compliance with Subsection A of Section 23 hereof, or
The lien on the Pledged Revenues for the payment of the refunding obligations is subordinate to each such lien for the payment of any obligations not refunded.

Section 25. Equality of Parity Bonds. The Parity Bonds from time to time outstanding shall not be entitled to any priority one over the other in the application of the Pledged Revenues, regardless of the time or times of their issuance or the date incurred, it being the intention of the City Council that, except as set forth herein, there shall be no priority among Parity Bonds regardless of whether they are actually issued and delivered or incurred at different times.

Section 26. Protective Covenants. The City hereby covenants and agrees with each and every holder of the Bonds issued hereunder:

A. Use of Bond Proceeds. The City will proceed without delay to apply the proceeds of the Bonds as set forth in Section 15 of this Bond Ordinance.

B. Payment of Bonds Herein Authorized. The City will promptly pay the principal of and the interest on every Bond at the place, on the date and in the manner specified herein and in the Bonds according to the true intent and meaning hereof.

C. City's Existence. The City will maintain its corporate identity and existence so long as any of the Bonds remain outstanding, unless another political subdivision by operation of law succeeds to the liabilities and rights of the City, without adversely affecting to any substantial degree the privileges and rights of any owner of the Bonds.

D. Extension of Interest Payments. In order to prevent any accumulation of claims for interest after maturity, the City will not directly or indirectly extend or assent to the extension of time for the payment of any claim for interest on any of the Bonds, and the City will not directly or indirectly be a party to or approve any arrangements for any such extension.

E. Records. So long as any of the Bonds remain outstanding, proper books of record and account will be kept by the City, separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the Pledged Revenues.

F. Audits and Budgets. The City will, within two hundred and seventy (270) days following the close of each Fiscal Year, cause an audit of its books and accounts relating to the Pledged Revenues to be commenced by an Independent Accountant showing the receipts and disbursements in connection with such revenues.

G. Other Liens. Other than as described and identified by this Bond Ordinance, there are no liens or encumbrances of any nature whatsoever on or against the Pledged Revenues.

H. Impairment of Contract. The City agrees that any law, ordinance or resolution of the City that in any manner affects the Pledged Revenues or the Bonds shall not be repealed or otherwise directly or indirectly modified, in such a manner as to impair adversely any Bonds outstanding, unless such Bonds have been discharged in full or provision has been fully made therefor or unless the required consents of the holders of the then outstanding Bonds are obtained pursuant to Section 33 of this Bond Ordinance.

I. Bond Fund. The Bond Fund shall be used solely and only, and those funds are hereby pledged, for the purposes set forth in this Bond Ordinance.

J. Surety Bonds. Each municipal official and employee being responsible for receiving Pledged Revenues shall be bonded at all times, which bond shall be conditioned upon the proper application of such funds.

K. Performing Duties. The City will faithfully and punctually perform all duties with respect to the Bonds required by the Constitution and laws of the State of New Mexico and the ordinances and resolutions of the City relating to the Bonds.
L. Tax Covenants. The City covenants that it will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code. The Mayor, Mayor Pro-Tem and other officers of the City having responsibility for the issuance of the Bonds shall give an appropriate certificate of the City, for inclusion in the transcript of proceedings for the Bonds, setting forth the reasonable expectations of the City regarding the amount and use of all the proceeds of the Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of interest on the Bonds.

The City covenants that it (a) will take or cause to be taken such actions which may be required of it for the interest on the Bonds to be and remain excluded from gross income for federal income tax purposes, and (b) will not take or permit to be taken any actions which would adversely affect that exclusion, and that it or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Bonds to the governmental purpose of the borrowing, (ii) restrict the yield on investment property, (iii) make timely and adequate rebate payments, yield reduction payments or payments of alternative amounts in lieu of rebate to the federal government, if required, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code. The Mayor, Mayor Pro Tern and other appropriate officers are hereby authorized and directed to take any and all actions, make calculations and rebate payments, and make or give reports and certifications, if any, as may be required or appropriate to assure such exclusion of that interest.

In furtherance of the covenants set forth above, the City hereby establishes a fund separate from any other funds established and maintained hereunder designated as the Rebate Fund (the "Rebate Fund"). Money and investments in the Rebate Fund shall not be used for the payment of the Bonds and amounts credited to the Rebate fund shall be free and clear under any pledge under this Bond Ordinance. Money in the Rebate Fund shall be invested in a manner provided in Section 20 for investment of money, and all amounts on deposit in the Rebate Fund shall be held by the City, or a designated trustee, in trust, to the extent required to pay rebatable arbitrage to the United States of America. The City shall unconditionally be entitled to accept and rely upon the recommendation, advice, calculation and opinion of an accounting firm or other person or firm with knowledge of or experience in advising with respect to the provisions of the Code relating to rebatable arbitrage. The City shall remit all rebate installments and the final rebate payment to the United States of America as required by the provisions of the Code. Any moneys remaining in the Rebate Fund after redemption and payment of all the Bonds and payment and satisfaction of any rebatable arbitrage shall be withdrawn and remitted to the City.

Section 27. Reserved.

Section 28. Events of Default. Each of the following events is hereby declared an "event of default":

A. Nonpayment of Principal. Failure to pay the principal of any of the Bonds when the same becomes due and payable, either at maturity, or by proceedings for redemption, or otherwise.

B. Nonpayment of Interest. Failure to pay any installment of interest when the same becomes due and payable.

C. Incapable of Performing. If the City shall for any reason be rendered incapable of fulfilling its obligations hereunder.

D. Default of any Provision. Default by the City in the due and punctual performance of its covenants or conditions, agreements and provisions contained in the Bonds or in this Bond Ordinance on its part to be performed (other than a default set forth in subsections A and B of this Section), and the continuance of such default for thirty (30) days after written notice specifying such default and requiring the same to be remedied has been given to the City by the holders of twenty-five percent (25%) in aggregate principal amount of the Bonds then outstanding.
E. Bankruptcy. The City (i) files a petition or application seeking reorganization or arrangement of debt under Federal Bankruptcy law, or other debtor relief under the laws of any jurisdiction, or (ii) is the subject of such petition or application which the City does not contest or is not dismissed or discharged within sixty (60) days.

Section 29. Remedies upon Default. Upon the happening and continuance of any of the events of default as provided in Section 28 of this Bond Ordinance, then and in every case, the holder or holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then outstanding, including, but not limited to, a trustee or trustees therefor, may proceed against the City, the City Council and its agents, officers and employees, but only in their official capacities, to protect and enforce the rights of any holder of Bonds under this Bond Ordinance by mandamus or other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment of a Receiver or for the specific performance of any covenant or agreement contained herein or in an award relating to the execution of any power herein granted for the enforcement of any legal or equitable remedy as such holder or holders may deem most effectual to protect and enforce the rights provided above, or to enjoin any act or thing which may be unlawful or in violation of any right of any Bondholder, or to require the City Council to act as if it were the trustee of an express trust, or any combination of such remedies. All such proceedings in law or in equity shall be instituted, had and maintained for the equal benefit of all holders of the Bonds then outstanding. The failure of any Bondholder so to proceed shall not relieve the City or any of its officers, agents or employees of any responsibility for failure to perform, in their official capacities, any duty. Each right or privilege of such holder (or trustee thereof) is in addition and cumulative to any other right or privilege, and the exercise of any right or privilege by or on behalf of any holder shall not be deemed a waiver of any other right or privilege.

Section 30. Duties upon Default. Upon the happening of any of the events of default provided in Section 28 of this Bond Ordinance, the City, in addition, will do and perform all proper acts on behalf of and for the owners of the Bonds to protect and preserve the security created for the payment of the Bonds and to insure the payment of the principal and interest on the Bonds promptly as the same become due. All proceeds derived therefrom, so long as any of the Bonds, either as to principal or interest, are outstanding and unpaid, shall be applied as set forth in Section 19 of this Bond Ordinance. In the event the City fails or refuses to proceed as provided in this Section, the holder or holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then outstanding, after demand in writing, may proceed to protect and enforce the rights of the owners of the Bonds as hereinabove provided.

Section 31. Bonds Not Presented When Due. If any Bonds shall not be duly presented for payment when due at maturity or on the redemption date thereof, and if moneys sufficient to pay such Bonds are on deposit with the Paying Agent for the benefit of the owners of such Bonds, all liability of the City to such owners for the payments of such Bonds shall be completely discharged, such Bonds shall not be deemed to be outstanding and it shall be the duty of the Paying Agent to segregate and to hold such moneys in trust, without liability for interest thereon, for the benefit of the owners of such Bonds as may be provided in any agreement hereafter entered into between the Paying Agent and an officer of the City.

Section 32. Delegated Powers. The officers of the City are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance, including, without limiting the generality of the foregoing, the publication of the summary of this Ordinance set out in Section 39 (with such changes, additions and deletions as they may determine). The Mayor or, in the absence of the Mayor, the Mayor Pro-Tem, is authorized and directed to execute and the Clerk is authorized and directed to affix the seal of the City to and attest, where applicable, the Related Documents, in substantially the form as hereinafter approved or with such changes therein as are not inconsistent with this Ordinance and as shall be approved by the Mayor or, in the absence of the Mayor, the Mayor Pro-Tem, the execution thereof to constitute conclusive evidence of his approval of any and all changes or revisions thereof from the form presented to the City Council. From
and after adoption of this Ordinance and the execution and delivery of
the Related Documents, the officers, agents and employees of the City are
hereby authorized, empowered, and directed to do all such acts and to
execute all such documents as may be necessary to carry out and comply
with the provisions of the Related Documents. Pursuant to Section 6-14-
10.2, NMSA 1978, any of the Mayor, City Manager and City
Treasurer/Administrative Services Director is each individually delegated
authority to execute and deliver the Bond Purchase Agreement to the
Purchaser, to execute the Pricing Certificate, and to determine any or
all of the final terms of the Bonds, subject to the parameters and
conditions contained in this Bond Ordinance. The Mayor, City Manager or
City Treasurer/Administrative Services Director shall present the Bond
Purchase Agreement to the City Council in a timely manner, before or
after delivery of the Bonds, at a regularly scheduled public meeting of
the City Council.

Section 33. Amendment of Bond Ordinance. This Bond Ordinance may
be amended without the consent of the holder of any Bond to cure any
ambiguity or to cure, correct or supplement any defect or inconsistent
provision contained herein. Prior to the date of the initial delivery of
the Bonds to the Purchaser, the provisions of this Bond Ordinance may be
amended with the written consent of the Purchaser, with respect to any
changes which are not inconsistent with the substantive provisions of
this Bond Ordinance. In addition, this Bond Ordinance may be amended
without receipt by the City of any additional consideration, but with the
written consent of the holders of seventy-five percent (75%) of the Bonds
then outstanding (not including Bonds which may be held for the account
of the City); but no ordinance adopted without the written consent of the
holders of all outstanding Bonds shall have the effect of permitting:

A. An extension of the maturity of any Bond; or

B. A reduction of the principal amount or interest rate of
any Bond; or

C. The creation of a lien upon the Pledged Revenues
ranking prior to the lien or pledge created by this Bond Ordinance; or

D. A reduction of the principal amount of Bonds required
for consent to such amendatory ordinance; or

E. The establishment of priorities as between Bonds issued
and outstanding under the provisions of this Bond Ordinance; or

F. The modification of or otherwise affecting the rights
of the holders of less than all the outstanding Bonds.

Section 34. Defeasance. When all principal and interest in
connection with the Bonds hereby authorized have been duly paid, the
pledge and lien on the Pledged Revenues for the payment of the Bonds
shall thereby be discharged and the Bonds shall no longer be deemed to be
outstanding within the meaning of this Bond Ordinance. Payment shall be
deemed made with respect to any Bond or Bonds when the City has placed in
escrow with a commercial bank exercising trust powers, an amount
sufficient (including the known minimum yield from Defeasance
Obligations, as defined below) to meet all requirements of principal and
interest as the same become due to their final maturities or upon
designated redemption dates. Any Defeasance Obligations shall become due
when needed in accordance with a schedule agreed upon between the City
and such bank at the time of the creation of the escrow. Defeasance
Obligations within the meaning of this Section shall include only (1)
cash, (2) U.S. Treasury Certificates, Notes and Bonds (including State
and Local Government Series - "SLGs"), and (3) obligations the principal
of and interest on which are unconditionally guaranteed by the United
States of America.

Section 35. Bond Ordinance Irrepealable. After any of the Bonds
are issued, this Bond Ordinance shall be and remain irrepealable until
the Bonds and the interest thereon shall be fully paid, canceled and
discharged, as herein provided, or there has been defeasance of the Bonds
as herein provided.

Section 36. Severability Clause. If any Section, paragraph, clause
or provision of this Bond Ordinance 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 Bond Ordinance.

Section 37. Repealer Clause. All bylaws, orders, resolutions and ordinances, 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 38. Effective Date. Upon due adoption of this Bond Ordinance, it shall be recorded in the book of ordinances of the City kept for that purpose, authenticated by the signatures of the Mayor or Mayor Pro-Tem and City Clerk, and the title and general summary of the subject matter contained in this Bond Ordinance (set out in Section 39 below) shall be published in a newspaper which maintains an office and is of general circulation in the City and this Bond Ordinance shall be in full force and effect in accordance with law.

Section 39. 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 Bond Ordinance shall be published in substantially the following form:

(From Summary of Bond Ordinance for Publication)

City of Farmington, New Mexico
Notice of Adoption of Ordinance

Notice is hereby given of the title and of a general summary of the subject matter contained in an ordinance duly adopted and approved by the City Council of the City of Farmington, on February 12, 2019 relating to the authorization and issuance of the City's Municipal Gross Receipts Tax Improvement Revenue Bonds, Series 2019. Complete copies of the Ordinance are available for public inspection during the normal and regular business hours of the City Clerk, Farmington City Hall, 800 Municipal Drive, Farmington, New Mexico.

The title of the Ordinance is:
ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF THE CITY OF FARMINGTON, NEW MEXICO MUNICIPAL GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS, SERIES 2019 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $12,500,000 FOR THE PURPOSE OF DEFRAYING THE COSTS OF DESIGNING, ENGINEERING, CONSTRUCTING, ACQUIRING AND IMPROVING STREETS AND TRAFFIC IMPROVEMENTS, AND PAYING COSTS OF ISSUANCE OF THE SERIES 2019 BONDS; PROVIDING THAT THE BONDS WILL BE PAYABLE FROM MUNICIPAL GROSS RECEIPTS TAX REVENUES DISTRIBUTED TO THE CITY PURSUANT TO SECTION 7-1-6.12 NMSA 1978, PROVIDING THAT THE MATURITY DATES, PRINCIPAL AMOUNTS, INTEREST RATES, REDEMPTION PROVISIONS AND OTHER DETAILS OF THE BONDS WILL BE ESTABLISHED IN A BOND PURCHASE AGREEMENT AND PRICING CERTIFICATE, AND DELEGATING AUTHORITY TO THE CITY MANAGER AND CITY ADMINISTRATIVE SERVICES DIRECTOR TO APPROVE THE FINAL TERMS OF THE BONDS AND TO EXECUTE AND DELIVER THE BOND PURCHASE AGREEMENT; PROVIDING FOR THE EXECUTION OF THE BONDS AND OTHER DOCUMENTS AND AGREEMENTS RELATING TO THE BONDS BY AUTHORIZED OFFICERS OF THE CITY; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH; AND REPEALING ALL ORDINANCES IN CONFLICT HEREWITH.

A general summary of the Ordinance is contained in its title. This notice constitutes compliance with § 6-14-6 N.M.S.A. 1978.

(End of Form of Summary for Publication)
DONE AND APPROVED this 12th day of February, 2019.

(SEAL)

ATTEST:

Dianne Smylie, City Clerk

Nate Duckett, Mayor
A proposal opening was held on January 9, 2019 for Professional Engineering Services for Water Treatment Plant Improvements. Four (4) offers were submitted.

The Central Purchasing Department concurs with the recommendation from the evaluation committee to begin negotiations with Jacobs Engineering Group, Inc., the top evaluated firm. The In-State or Veterans preference was given to qualified bidders. The final rankings are listed below:

Jacobs Engineering Group, Inc. – Albuquerque, NM
AECOM Technical Services, Inc. – Albuquerque, NM
HDR Engineering, Inc. – Albuquerque, NM
Valdes Engineering Company – Lombard, IL

Rosalyn Potter (Presenter)
Council Meeting February 12, 2019 Close/Reopen

xc: H. Andrew Mason, Administrative Services Director
    David Sypher, Public Works Director
    Jeff Smaka, W/WW Administrator
    File - 19-129703

Evaluation Committee:

Jeff Smaka, Public Works
Drake Dalton, Public Works
Nica Westerling, Public Works
Renee Hurst, IT
Regular Meeting of the City Council, City of Farmington, New
Mexico, held in the Council Chamber at City Hall at 6:00 p.m. on Tuesday,
January 22, 2019. The open regular session was held in full conformity
with the laws and ordinances and rules of the Municipality.

Upon roll call, the following were found to be present,
constituting a quorum:

MAYOR

Nate Duckett

COUNCILORS

Linda G. Rodgers
Sean E. Sharer
Jeanine Bingham-Kelly
Janis Jakino

constituting all members of said Governing Body.

Also present were:

CITY MANAGER

Rob Mayes

ASSISTANT CITY MANAGER

Julie Baird

CITY ATTORNEY

Jennifer Breakell

CITY CLERK

Dianne Smylie

The meeting was convened by the Mayor. Thereupon the following
proceedings were duly had and taken:

INVOCATION: The invocation was offered by Pastor Burson Corley of
College Heights Baptist Church.

Police Sergeant Roque Velarde led the Pledge of Allegiance.

CONSENT AGENDA: The Mayor announced that those items on the agenda
marked with an asterisk (*) have been placed on the Consent Agenda and
will be voted on without discussion by one motion. He stated that if any
item did not meet with approval of all Councilors or if a citizen so
requested, that item would be removed from the Consent Agenda and heard
under Business from the Floor.

*MINUTES: The minutes of the Regular Meeting of the City Council
held January 8, 2019.

*DECLARATION OF SURPLUS PROPERTY: The Chief Procurement Officer
recommended that two worn-out, unusable or obsolete fire
trucks (Fire) be declared surplus to the needs of the City
and not essential for municipal purposes, and that the City
Manager or his designee be authorized to dispose of such
surplus property pursuant to State Statutes.

*REQUEST FROM HILCORP ENERGY COMPANY AND HILCORP SAN JUAN,
L.P. to provide a blanket bond for $455,000 to cover not more than 90
wells, pursuant to Section 19-2-103 of the City Code.

*WARRANTS PAYABLE for the time period of January 6, 2019 through
January 19, 2019, for current and prior years, in the amount
of $7,349,434.62.

There being no requests to remove any items, a motion was made by
Councilor Rodgers, seconded by Councilor Sharer to approve the Consent
Agenda, as presented, and upon voice vote the motion carried unanimously.

RECOGNITION OF AUDRA WINTERS/PARKS, RECREATION & CULTURAL AFFAIRS
COMMISSION

Mayor Duckett recognized Audra Winters for her dedicated service to
the Parks, Recreation and Cultural Affairs Commission and for her time
serving as the Chief Executive Officer for the Farmington Chamber of
Commerce. He noted that Ms. Winters will be relocating to Arizona and
presented her with a plaque in appreciation of her service. The
presentation was concluded with a hearty round of applause.
RECOMMENDATION FROM THE PLANNING AND ZONING COMMISSION:

*CONSENT AGENDA: Community Development Director Mary Holton requested that the Planning and Zoning Commission recommendation marked with an asterisk (*) be placed on the Planning and Zoning Commission Consent Agenda and voted on without discussion. She asked that if the item proposed did not meet with approval of all Councilors or if a citizen so requested, the item would be removed from the Consent Agenda and heard in regular order.

* (1) Adoption of the recommendation from the Planning and Zoning Commission as contained within the Community Development Department Action Summary to approve Petition No. 2C 18-95 from Billy Randall, represented by Misty Hensley, requesting a zone change from the SF-7, Single Family, District to the MF-L, Multi-Family Low Density, District and to grant a variance to certain yard setbacks and lot size requirements to allow two existing duplexes to be in conformance with the Unified Development Code for property located at 2303 and 2305 Nathan Avenue.

There being no requests to remove the item, a motion was made by Councilor Jakino, seconded by Councilor Rodgers to approve the Planning and Zoning Commission Consent Agenda, as presented, and upon voice vote the motion carried unanimously.

METROPOLITAN REDEVELOPMENT AREA INCENTIVE REQUEST/COTTONWOOD CLINICAL SERVICES, INC.

Economic Development Director Warren Unsicker recommended approval of a request from Cottonwood Clinical Services, Inc. for $60,000 from the Community Transformation and Economic Diversification ("CTED") Fund for the purpose of renovating parking lots at 653 West Arrington Street within the Metropolitan Redevelopment Area ("MRA"). Mr. Unsicker reported that Cottonwood Clinical Services, Inc. purchased the 7,650 square foot building for $230,000 and plans to invest an additional $194,000 in renovations which will increase the property value and generate an additional $1,577 in property tax revenue for the City of Farmington. Furthermore, he noted that the facility will accommodate 16 staff members (four of which are new positions) and will result in approximately $750,000 in annual wages. He noted that Cottonwood Clinical Services will also be remitting $60,000 in gross receipts tax revenue each year and reported that the Metropolitan Redevelopment Agency Commission unanimously approved this request on January 15, 2019. Furthermore, he pointed out that the parking lots will be available during public events (outside of regular operating hours) and that the improvements will discourage the unsavory activities that have been occurring on the property due to it being vacant. City Manager Rob Mayes also pointed out that the City will also receive gross receipts tax revenue from the construction being planned for the facility.

Mayor Duckett stated that he is hopeful that monies from the CTED Fund will be budgeted in the MRA Fund in the future for the purpose of reimbursing business owners who make improvements to their property. He contended that this incentive could entice more business activity in the MRA district and would result in a good public/private partnership.

Councilor Sharer expressed his support for the request, stating that he sees this as a win/win for Cottonwood Clinical Services, Inc. and the City since it will provide needed parking and improve the aesthetics of the area.

Councilor Rodgers announced that she is pleased that the business is utilizing its own money to renovate the building and stated that she is pleased that four additional jobs will be created. She expressed her support for the request since it will clean-up a blighted area and hopefully encourage more business activity.

There being no further discussion, a motion was made by Councilor Sharer, seconded by Councilor Jakino to approve the incentive request from Cottonwood Clinical Service, Inc. for $60,000 from the CTED Fund for renovation of parking lots at 653 West Arrington Street located within the Metropolitan Redevelopment Area, and upon voice vote the motion carried unanimously.
APPOINTMENT TO THE PLANNING AND ZONING COMMISSION

Mayor Duckett asked the Council's consideration of the appointment of Elizabeth Lockmiller (term to May, 2020) as a member of the Planning and Zoning Commission.

Thereupon, a motion was made by Councilor Rodgers, seconded by Councilor Sharer to confirm the appointment of Elizabeth Lockmiller as a member of the Planning and Zoning Commission, as recommended by the Mayor, and upon voice vote the motion carried unanimously.

Mayor Duckett asked the Council's consideration of Resolution No. 2019-1694 supporting a film tax credit. The title of the resolution being:

A RESOLUTION SUPPORTING AN OUT-OF-ZONE FILM TAX CREDIT.

Mayor Duckett explained that the purpose of the proposed resolution is to urge the Governor to 1) establish an additional five percent tax rebate for production companies that film in underserved parts of the state; 2) enhance or establish new programs to increase crew training in underserved film production communities; 3) and assist individuals in film crew training programs for the purpose of advancing the profession.

Councilor Sharer announced that he agrees with the resolution in general since it will create temporary jobs that will put "heads in beds" and promote shopping in our community.

After consideration of Resolution No. 2019-1694, a motion was made by Councilor Sharer, seconded by Councilor Jakino that said resolution be passed and adopted as presented. The roll was called with the following result:

Those voting aye: Linda G. Rodgers
Sean E. Sharer
Jeanine Bingham-Kelly
Janis Jakino

Those voting nay: None

The presiding officer thereupon declared that four Councilors having voted in favor thereof, the said motion carried and Resolution No. 2019-1694 was duly passed and adopted.

Farmington Municipal Schools/Letter of Intent to Assist with Ballfield Improvements

Reading from a prepared statement, Farmington Municipal Schools ("FMS") Superintendent Gene Schmidt announced that FMS coaches and players support the installation of artificial turf on the playing field at Ricketts Ball Park and stated that FMS is willing to participate in the cost. Furthermore, he stated that FMS is amenable to partnering with the City for the purpose of improving all playgrounds and ballfields that are commonly shared between the two organizations. FMS Athletic Director Frank Whalen echoed his comments, noting that it is increasingly difficult to maintain the grass field due to drought and antiquated watering systems.

Mayor Duckett stated that he believes that this is a "huge step" in the right direction and reaffirms his belief that Farmington is a great place to live, work, stay and play. He also reaffirmed his position that FMS be allowed to utilize Ricketts Ball Park and stated that he is pleased that FMS recognizes the opportunities that are available through a shared financial partnership.

Chamber of Commerce Annual Banquet Award Recipients

Announcing that he "had a great weekend in the city of Farmington," Mayor Duckett proudly announced that Merrion Oil & Gas was bestowed the Business of the Year award during the Chamber of Commerce Annual Banquet on Friday night and stated that Convention & Visitors Bureau Chief Executive Officer Tonya Stinson was presented with the Citizen of the Year Award for her leadership and involvement in the branding and outdoor recreation initiatives. Furthermore, Mayor Duckett stated that Chamber of Commerce incoming president Adam Kinney gave a moving speech that emphasized the good things that happen during economic downturns and he
expressed his confidence in newly-appointed Chamber of Commerce Chief Executive Officer Jamie Church.

Police Department Annual Banquet

Mayor Duckett noted that he attended the Police Department’s annual banquet on Saturday night and proudly announced that Sergeant Roque Velarde was presented with the Chief’s Commendation Award for his work on the final call ceremony associated with a police officer’s retirement. He expressed his appreciation to all the men and women in blue who protect our community every single day.

Martin Luther King Day of Service

Mayor Duckett expressed his sincere appreciation to those individuals who participated in the Martin Luther King Day of Service, noting that over 200 people assisted with 15 different service projects throughout the city.

Commendation of Christie Howell/Bonnie Dallas Senior Center

Mayor Duckett read a letter that he received from Kelly West expressing her appreciation to Christie Howell at the Bonnie Dallas Senior Center for enthusiastically taking the time to show her how to use the equipment in the fitness center. Ms. West commended Ms. Howell for her friendliness and stated that it is apparent that she loves her job.

Wayfinding Signs

Mayor Duckett displayed one of the salmon-colored wayfinding signs that are based on the Jolt Your Journey brand. Acknowledging that this particular sign color is difficult to see at night, he reported that the white images will be outlined in black to make the signs easier to read.

Recognition of Retiring Administrative Services Director Andy Mason

City Manager Rob Mayes recognized Administrative Services Director Andy Mason for his 16 years of conscientious and outstanding public service to the City of Farmington. Noting that Mr. Mason has spent a total of 43 years in the public sector, Mr. Mayes proudly reported that the City has received a “clean” audit for the entire 16 years that Mr. Mason has been in the position. He presented Mr. Mason with a plaque in honor of his loyal and dedicated leadership and the presentation was concluded with a hearty round of applause.

Mayor Duckett commended Mr. Mason for his professionalism and thanked him for leaving the department with a well-trained and competent staff. Councilors Rodgers, Sharer, Bingham-Kelly and Jakino also congratulated Mr. Mason and acknowledged him for his succession planning vision.

In closing, Mr. Mason thanked the Mayor and Council for their kind words and happily announced that he plans to spend more time with his family and six grandchildren who all live locally.

Echo Inc. Backpack Program

Kirk Denetclaw, Food Program Manager for ECHO, Inc., explained that the backpack program is designed to provide lower-income, school-aged children with food on the weekends. He reported that in December 2018, ECHO handed out 521 food packages, of which the City of Farmington assisted with 240. He noted that this program is offered to children in Newcomb, Aztec, Bloomfield, Farmington, Central Consolidated, Tierra Amarilla, Jicarilla, Chama and Blanco and stated that in 2018, 4,940 backpacks were distributed. He thanked the City of Farmington for their support of this project and stated that he hopes that they will continue their support in the future.

In response to inquiry from the Mayor, Mr. Denetclaw reported that ECHO employs a Food Programs Manager who determines the types of items that are included in the backpacks based on the nutrition value, sodium content and sugar levels. Responding to a question from Councilor Rodgers, Mr. Denetclaw reported that there are schools on the waiting list and noted that additional backpacks are being requested.

In closing, City Manager Rob Mayes reported that, historically, the City provides $5,200 in financial assistance for the program.
City Attorney Jennifer Breakell presented for discussion a proposed ordinance dealing with the Series 2019 Municipal Gross Receipts Tax Revenue Bonds for traffic and street improvements. The title of such ordinance being:

AN ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF THE CITY OF FARMINGTON, NEW MEXICO MUNICIPAL GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS, SERIES 2019, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $12,500,000 FOR THE PURPOSE OF DEFRAYING THE COSTS OF DESIGNING, ENGINEERING, CONSTRUCTING, ACQUIRING AND IMPROVING STREETS AND TRAFFIC IMPROVEMENTS, AND PAYING COSTS OF ISSUANCE OF THE SERIES 2019 BONDS.

There being no discussion, Ms. Breakell announced that the proposed ordinance will be presented for final action at the February 12, 2019 regular City Council meeting.

BUSINESS FROM THE FLOOR

Relocation of The Roof Winter Shelter to Ojo Court

Reading from a prepared statement, Mary Rankin, 917 Jefferson Avenue, expressed her concerns for the safety of the residents who utilize The Roof Winter Shelter due to its relocation from the downtown area to Ojo Court. She questioned whether there will be adequate transportation or pathways to the facility and stated that she has heard that there are no restroom facilities or running water. In response to her concerns, Mayor Duckett explained that the new location offers additional services because Totah Behavioral Healthcare Authority, the Sobering Center and the Joint Intervention Program (JIP) are also located on Ojo Court and reported that the Alternative Response Unit (ARU) has been employed for the purpose of providing contact and/or medical assistance to street inebriates. In addition, a second ARU unit will be deployed for the sole purpose of providing transportation to the facility. Providing further information, City Manager Rob Mayes announced that staff is planning a slow transition from the downtown facility to Ojo Court and assured Ms. Rankin that restrooms and running water are available. He also noted that staff is working to develop lited pathways from the facility and suggested that she contact Assistant City Manager Julie Baird for a tour. In closing, he asked Ms. Rankin to provide staff with a copy of her written statement in order to adequately address her concerns.

Commendation of ECHO, Inc.

Dr. Steve Rankin, 917 Jefferson Avenue, thanked ECHO, Inc. for their efforts in eliminating childhood hunger, noting that as a Pediatrician he is authorized to write prescriptions requesting assistance from food banks for needy families.

There being no further business to come before the Council, a motion was made by Councilor Sharer, seconded by Councilor Rodgers to adjourn the meeting at 7:09 p.m., and upon voice vote the motion carried unanimously.

The City Clerk certified that notice of the foregoing meeting was given by posting pursuant to Resolution No. 2013-1666, et seq.

Approved this 12th day of February, 2019.

Entered in the permanent record book this day of , 2019.

Naie Duckett, Mayor

ATTEST:

Dianne Smylie, City Clerk
Work Session of the City Council, City of Farmington, New Mexico, held Tuesday, January 15, 2019 at 9:00 a.m. in the Executive Conference Room at City Hall, 800 Municipal Drive, Farmington, New Mexico, in full conformity with the rules, regulations and ordinances of the municipality.

At such meeting the following were present, constituting a quorum:

**MAYOR**
Nate Duckett

**COUNCILORS**
Linda G. Rodgers
Sean E. Sharer
Jeanine Bingham-Kelly
Janis Jakino

constituting all the members of the Governing Body.

Also present were:

**CITY MANAGER**
Rob Mayes

**CITY ATTORNEY**
Jennifer Breakell

**CITY CLERK**
Dianne Smylie

**DEPUTY CITY CLERK**
Andrea Jones

### ANNUAL AUDIT/COMPREHENSIVE ANNUAL FINANCIAL REPORT

Administrative Services Director Andy Mason reported that the annual audit process began in June and he introduced Engagement Principal Matt Bone and Engagement Director Laura Beltran-Schmitz of CliftonLarsonAllen LLP. Utilizing a PowerPoint presentation, Ms. Beltran-Schmitz reviewed the scope of the audit and reported that the City’s Fiscal Year 2018 audit resulted in an unmodified or “clean” opinion. She discussed two control deficiencies that were identified concerning the cash receipts and procurement processes and she confirmed that staff will implement improved processes which will then be audited the following year. In response to the Mayor’s inquiry, Mr. Bone stated that the City would receive an “A” letter grade for the Fiscal Year 2018 audit and he stated that it is his opinion that the City is truly blessed to have its financial staff.

At the Mayor’s request, Mr. Mason introduced his financial staff: Controller Brooke Quintana, Enterprise Accountant Shereé Wilson, Staff Accountant II Michelle Bedonie, Staff Accountant II Sarah Talley and Staff Accountant I Ross Devargas.

Following a round of applause, a motion was made by Councilor Rodgers, seconded by Councilor Sharer to accept the Fiscal Year 2018 annual audit, as presented, and upon voice vote the motion carried unanimously.

### ART IN THE ALLEY PROJECT/HQ BUILDING LOCATED AT 119 WEST MAIN STREET

Utilizing a PowerPoint presentation, Parks, Recreation and Cultural Affairs Director Shana Reeves reported that the Art in the Alley project is a large-scale mural project located in the alleys on the north and south sides of Main Street and one alley that runs the length of Miller Street to Auburn Avenue and she pointed out that the Art in the Alley committee has identified 15 to 20 buildings as candidates for murals. She stated that the Merrion Foundation donated $25,000 to fund the project and that the Northwest New Mexico Arts Council (a non-profit organization) is acting as the fiscal agent and pays the artists and purchases the required paint, noting that three murals have been completed to-date. Ms. Reeves provided images of the completed murals and she stated that a mural proposal has been submitted from Ivan Lee for the City’s HQ building located at 119 West Main Street. She provided images of the current state of the HQ building and she displayed Mr. Lee’s proposed mock-up along with samples of his previous artwork. Ms. Reeves emphasized that this mural will be at no cost to the City and she stated that it is the Council’s decision whether to have the mural encompass one or both sides of the building.
Following brief discussion, a motion was made by Councilor Rodgers, seconded by Councilor Sharer to authorize Ivan Lee’s proposed mural on both sides of the City’s HQ building located at 119 West Street, if feasible, and upon voice vote the motion carried unanimously.

**UPDATE/ALTERNATIVE RESPONSE UNIT**

Police Sergeant Roque Velarde briefly reviewed the Alternative Response Unit ("ARU") pilot program which is focused on "downed subject" calls for service and he discussed the statistical data that was provided to the Council. Sergeant Velarde speculated that the decrease in monthly contacts and transports could be attributed to 1) the change in temperature forcing the subject population to seek shelter, 2) recent changes in court sentencing length and/or 3) the trainability of the subject population. Fire Captain Brandon Heard expressed his agreement with Sergeant Velarde’s speculations regarding the decrease in monthly contact numbers and he announced that the ARU has achieved positive results with positive impacts to the community and the emergency responder groups. He reported that the ARU currently operates Wednesday through Saturday from 8:00 a.m. to 6:00 p.m. and he pointed out that calls for service are much higher on the days that the ARU is not in operation. Sergeant Velarde and Captain Heard discussed the adjustments that are being made to the program as better strategies are identified, such as completing required reports in the field and streamlining certain procedures. Fire Chief David Burke announced that the ARU pilot program continues to morph to the needs of the community and he expressed his desire to continue to have the opportunity to move the program forward. He discussed some of the costs associated with the ARU and reported that the data collected will provide guidance on the most efficient use of resources in the future. Chief Burke reported that a new project known as Squad 57 will begin in February and he explained that it will consist of a van transport unit that will operate seven days per week, 10 hours per day and will not provide any medical assessment, noting that it will be operational for up to 56 days. City Manager Rob Mayes clarified that Squad 57 will replace the transportation component that The Salvation Army previously provided as part of their operating contract for The Roof wet shelter. Concluding the update, Chief Burke emphasized that obtaining the ARU and Squad 57 data is critical in order to make informed decisions regarding how to utilize resources most efficiently.

In response to Councilor Rodgers’ questions, Captain Heard provided an explanation of "trainability of the subject population" and Chief Burke reported that the Fire Department has realized an estimated savings of $48,000 in fuel, vehicle maintenance and wages by utilizing the ARU.

Responding to Councilor Sharer’s inquiries, Chief Burke confirmed that operating the ARU seven days per week would be best once the data obtained from the pilot program determines the most efficient use of resources to maintain this service and Sergeant Velarde and Captain Heard both stated that personnel are rotated through the ARU rather than assigning the same officers to the unit.

Councilor Jakino questioned whether any community feedback regarding the ARU has been received and if the ARU has a specific area of focus within the community. In response, Police Lieutenant Casey Malone reported that the Downtown stakeholders have positively commented on how quickly the ARU is able to respond to these types of service calls with much less interruption to the area and Sergeant Velarde stated that the ARU responds to calls throughout the city, noting that they proactively patrol Broadway and Main Street from Southside River Road to Murray Drive.

**PRESENTATION/SMALL CELL FACILITIES**

Utilizing a PowerPoint presentation, City Attorney Jennifer Breakell explained that small cell wireless facilities are a type of wireless broadband infrastructure that have antennas that are usually pole-mounted along with accessories located nearby on the ground and she discussed the specific dimensional limits of the equipment. She stated that these facilities increase telecommunication service including 5G service and she provided illustrations of what the typical small cell site entails, noting that they can be unsightly and can create ADA (Americans with Disabilities Act) accessibility issues because they are normally located near a sidewalk. Ms. Breakell reported that telecommunication providers typically do not co-locate or share equipment and she pointed out that regulations and administrative procedures can be
put into place through the adoption of an ordinance to help protect the City and regulate the small cell facilities. She explained that the Federal Streamline Act was enacted to accelerate broadband deployment across the United States and she stated that it shortened timeframes for local government action and caps the compensation payable to local governments by telecommunication providers. Ms. Breakell reported that the Advances Infrastructure Investment Act (House Bill 38) applies to small cell facilities, wireless infrastructure and service providers in New Mexico and she pointed out that the Federal Communications Commission’s ("FCC") latest order will potentially affect State law, noting that legal counsel throughout New Mexico is trying to determine which law will supersede in the event of a conflict. She reviewed the required timelines within the different laws and she provided the potential revenue opportunities available to the City with small cell facilities. Concluding her presentation, she recommended that staff be directed to draft a small cell facility ordinance for Council’s consideration and to develop necessary zoning requirements and appropriate rules and regulations for the use of facilities and locations.

Councilor Sharer voiced his support of small cell facilities and emphasized that the City should make the deployment process as “painless as possible” while protecting ourselves as much as possible.

In response to the Mayor’s inquiry regarding increased cancer rates caused by 5G wireless service, Ms. Breakell stated that she would research the matter. Additionally, she pointed out that Federal and State law already allow the installation of 5G wireless service and she reiterated that local governments have been granted some regulation authority.

Responding to Councilor Jakino’s question, Ms. Breakell reported that State law requires some restorative actions in regards to abandoned small cell facilities.

There being no further discussion, it was the consensus of the Council to direct staff to draft a small cell facility ordinance.

PAVEMENT MANAGEMENT BOND OPTIONS

Public Works Director David Sypher introduced Evan Kist of RBC Capital Markets and utilizing a PowerPoint presentation, he provided a brief review of the Street Maintenance program. He announced that an analytical survey of the pavement conditions is scheduled to be completed every three years and he explained that the data analysis process is a quantifiable and repeatable methodology for future reference. Mr. Sypher provided a pavement life deterioration curve and he reported that the City’s current OCI (Overall Condition Index) rating is 66.16 (Fair), noting that the goal OCI rating of 76 (Satisfactory) is well above the national average. He stated that maintenance of Satisfactory rated pavement versus reconstruction of Very Poor rated pavement is at a cost ratio of 1:7 and he provided a comparison table of the Fiscal Year 2018 projects that included the pavement’s OCI rating, type of repair, funding source and cost. Discussing Scenario 4 that was recommended by the City’s pavement management consultant, Mr. Sypher provided an overall budget and stated that the goals are to achieve an OCI rating of 75 over a 10-year period and to eliminate projects deteriorating into the reconstruction category. He explained that the proposed two to three year program would be funded by issuing approximately $12 million in bonds and would provide the opportunity to reduce and improve the future projected costs. Additionally, he pointed out that the pace of the overall program is affected by funding and the public’s tolerance of road construction throughout the community. Mr. Sypher provided a graph showing the number of miles requiring reconstruction between the various scenarios and he explained that grants and in-house work currently address total reconstruction miles. In addition, City Manager Rob Mayes stated that monies in the 201 Fund will be budgeted on a prioritized basis each year to address high yield and high need projects and he pointed out that this program focuses on the bond project. Mr. Mayes discussed the proposed bond program and pointed out that the bond proceeds and the remaining cash from the newly-implemented 1/8% GRT will fund the first four to five years of the recommended pavement management program. Concluding his portion of the presentation, Mr. Sypher provided the computer-generated proposed 2020 and 2021 street resurfacing projects which include chipseal, micropaving and mill inlay.
Continuing with the PowerPoint presentation, Mr. Kist provided an overview of the proposed Gross Receipts Tax ("GRT") Bonds, Series 2019 for street paving and road improvements and he pointed out that the New Mexico Finance Authority requires a dual marketing process because the issue amount exceeds $10 million. He reported that the structure of the issuance is fixed rate, tax-exempt financing over 15 years with an estimated all-in true interest cost of 4% and he pointed out that the annual debt service will be approximately $1.1 million, noting that the estimated 1/8% GRT revenues is $2.2 million which provides two times the debt service coverage. Concluding the presentation, he provided a detailed financing schedule with key dates and reported that the projected closing date is June 7, 2019.

For the record, Mr. Mayes stated that staff has diligently attempted to balance the challenges of availability of contractors, the public’s tolerance, the 7:1 investment ratio and a conservative approach to create the best funding opportunity and pavement management program. He reported that it is staff’s recommendation to bond half of the new 1/8% GRT revenues and to keep the remaining half of the revenues liquid in order to cover the bond debt service should GRT revenues decline significantly or to help cash-fund other important projects that arise.

Mayor Duckett and Councilors Sharer and Rodgers expressed their support of the conservative approach and the proactivity toward street maintenance.

PROPOSED ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF THE CITY OF FARMINGTON, NEW MEXICO MUNICIPAL GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS, SERIES 2019, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $12,500,000 FOR THE PURPOSE OF DEFRAYING THE COSTS OF DESIGNING, ENGINEERING, CONSTRUCTING, ACQUIRING AND IMPROVING STREETS AND TRAFFIC IMPROVEMENTS, AND PAYING COSTS OF ISSUANCE OF THE SERIES 2019 BONDS

City Attorney Jennifer Breakell requested permission to publish notice of intent to consider adoption of a proposed ordinance dealing with the issuance, sale and delivery of the Series 2019 New Mexico Municipal Gross Receipts Tax Improvement Revenue Bonds pertaining to street and traffic improvements.

Thereupon a motion was made by Councilor Rodgers, seconded by Councilor Sharer to direct the City Attorney to publish notice of intent to consider adoption of a proposed ordinance in accordance with State Statutes. The roll was called with the following result:

Those voting aye: Linda G. Rodgers
                Sean E. Sharer
                Jeanine Bingham-Kelly
                Janis Jakino

Those voting nay: None

The presiding officer thereupon declared that four Councilors having voted in favor thereof, said motion carried.

DISCUSSION/SCOPE OF WORK/COMPREHENSIVE PLAN UPDATE REQUEST FOR PROPOSALS

At the request of City Manager Rob Mayes, it was the consensus of the Council to direct staff to proceed with the procurement process for the Comprehensive Plan update in accordance with the scope of work previously distributed to the Council.

APPOINTMENTS TO THE AIRPORT ADVISORY COMMISSION

Mayor Duckett asked the Council's consideration of the appointment of Theresa Pacheco (moving from the alternate position) and Mark Gordon as members of the Airport Advisory Commission (terms to December 2021).

Thereupon, a motion was made by Councilor Sharer, seconded by Councilor Rodgers to confirm the appointments of Theresa Pacheco and Mark Gordon as members of the Airport Advisory Commission, as recommended by the Mayor, and upon voice vote the motion carried unanimously.
APPOINTMENTS TO THE SAN JUAN WATER COMMISSION

Mayor Duckett asked the Council's consideration of the appointments of Jay Burnham as the primary representative and Public Works Director David Sypher as the alternate representative to the San Juan Water Commission.

Thereupon, a motion was made by Councillor Rodgers, seconded by Councillor Sharer to confirm the appointments of Jay Burnham as the primary member and David Sypher as the alternate member to the San Juan Water Commission, as recommended by the Mayor, and upon voice vote the motion carried unanimously.

COUNCIL BUSINESS

Tax Rate Change

In response to the Mayor's inquiry, City Manager Rob Mayes reported that the State of New Mexico Taxation and Revenue Department is responsible for notifying businesses of the new tax rate that went into effect on January 1 and he stated that staff will publish updated information on the City's social media sites to help inform the community.

Foothills Drive Enhancements

Noting that the repainted safety railing is much more pleasing, Mayor Duckett questioned the progress of the centerpiece for the roundabout on Foothills Drive and whether a new large project sign was installed. In response, Public Works Director David Sypher reported that aesthetically attractive boulders are being considered for the centerpiece within the roundabout to prohibit motorists from driving straight through and he stated that a new project sign has not been installed, noting that the Phase I project sign will not be removed until the total project closeout has occurred. Mayor Duckett also relayed that a few constituents are concerned that the signage entering the roundabout is located too close to the road for motorists with trailers to safely maneuver their way through.

Wayfinding Signage

Councillor Rodgers complimented the new wayfinding signage that has been installed to-date and inquired of the project's progress. Public Works Director David Sypher announced that the project is on schedule to be completed in April.

CLOSED MEETING

A motion was made by Councillor Rodgers, seconded by Councillor Jakino to close the meeting to discuss request for proposals for utility statement processing and mailing services, pursuant to Section 10-15-1H(6) NMSA 1978. The roll was called with the following result:

Those voting aye: Linda G. Rodgers  
Sean E. Sharer  
Jeanine Bingham-Kelly  
Janis Jakino

Those voting nay: None

The presiding officer therupon declared that four Councilors having voted in favor thereof, the said motion carried.

The Mayor convened the closed meeting at 10:43 a.m. with all members of the Council being present.

Following the closed meeting, during which meeting the matter discussed was limited only to that specified in the motion for closure, a motion was made by Councillor Rodgers, seconded by Councillor Sharer to open the meeting for further business, and upon voice vote the motion carried unanimously.

The open meeting was reconvened by the Mayor at 10:50 a.m. with all members of the Council being present.
Chief Procurement Officer Kristi Benson announced that proposals for utility statement processing and mailing services (Electric) opened on November 28, 2018 with seven offerors participating. She recommended that the contract be awarded to DataProse, LLC as the top evaluated firm after application of the five percent in-state and Veterans preferences.

Following brief discussion, a motion was made by Councilor Rodgers, seconded by Councilor Jakino to award the contract for utility statement processing and mailing services to DataProse, LLC, as recommended by the Chief Procurement Officer, and upon voice vote the motion carried unanimously.

There being no further business to come before the Council, a motion was made by Councilor Rodgers, seconded by Councilor Sharer to adjourn the meeting at 10:53 a.m., and upon voice vote the motion carried unanimously.

APPROVED this 12th day of February, 2019.

Nate Duckett, Mayor

SEAL

ATTEST:

Dianne Smylie, City Clerk